

# The National Underwriter

A WEEKLY NEWSPAPER OF INSURANCE

THURSDAY, JANUARY 26, 1928



## SUBSTANTIAL

past performance, progressive management, and demonstrated service are factors which commend the NORWICH UNION to successful agents.

## NORWICH UNION

**FIRE INSURANCE SOCIETY, LTD.**  
75 Malden Lane, New York

*Hart Darlington, Manager*

## EAGLE FIRE COMPANY

**of NEW YORK**  
INCORPORATED 1886  
75 Malden Lane, New York

*Hart Darlington, President*  
*The Oldest New York Insurance Company*

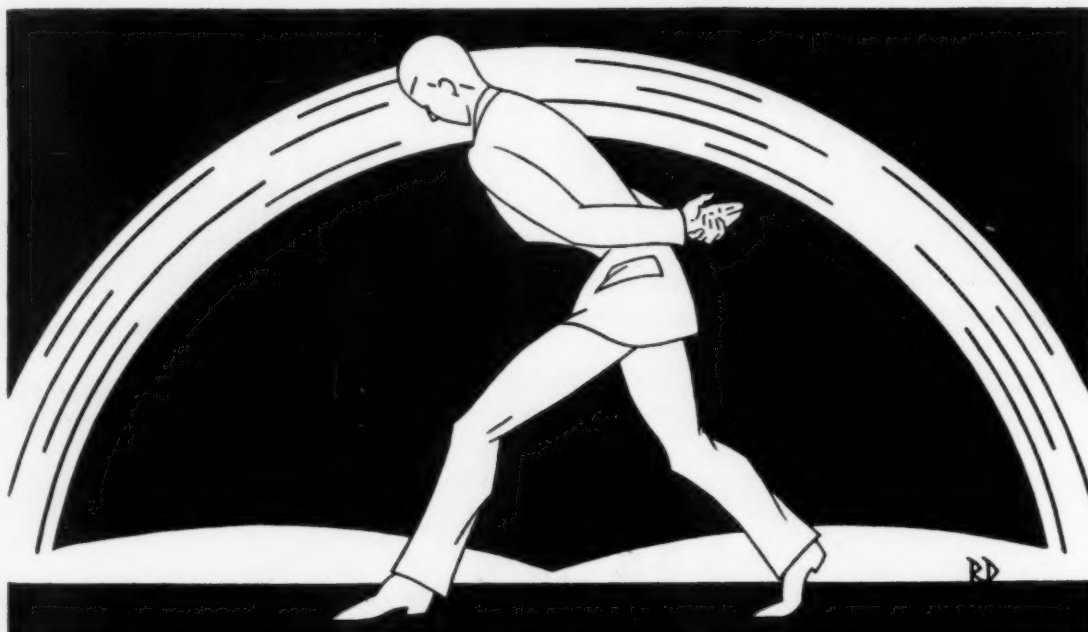
## NORWICH UNION

**INDEMNITY COMPANY**  
75 Malden Lane, New York

*H. P. Jackson, President*

*In NORWICH UNION there is strength.*

# COMPANIES



## When You're Groping For Ideas

Probably there are times in your business when you are temporarily at a loss as to just how to proceed. Every business man has those moments. Maybe it's when you are planning an advertising campaign — or a booth at the county fair; or it may be when you find you need a new book-keeping system or a new arrangement for your office space

Whenever such times come wouldn't you welcome some practical information or suggestions as to what you can do? Wouldn't you be relieved if you could just stretch out your hand, so to speak, and *get it*?

**You can.**

Our Advertising and Service department specializes in just such practical information. It has had long experience in solving these problems for our agents. It has the reputation of delivering the goods. Our local agents are its best boosters.

These and countless other interesting insurance problems are discussed crisply and decisively in our monthly publication, **The ACCELERATOR**, which goes to every one of our agents. You may have read reprints from it in the various business papers.

For a sample copy of this business-building magazine write, now, direct to our Advertising Department

**BOSTON INSURANCE COMPANY  
OLD COLONY INSURANCE COMPANY  
87 KILBY STREET, BOSTON, MASSACHUSETTS**



## A Company for Good Agents

Twenty-two years of continuous progress have molded a reputation for the Home Fire Insurance Company of Arkansas that commands the confidence of every local agent. From an idea in 1905 this institution has grown to one of \$1,750,711.46 assets and \$500,000 paid up capital.

Wherever the Home Fire is located you will find a satisfied agent.

We have excellent agency opportunities in Arkansas, Louisiana and Mississippi.

**Home Fire Insurance Co.**  
of Little Rock, Arkansas



Do you need in your Agency a Company capable of understanding your needs, one willing to help work out your fire insurance problems?

Do you want in your Agency a Company that pursues a stable and consistent underwriting policy year after year?

The East and West is such a Company. It is a valuable addition to any Agency.

*Owned by and under the Management of  
Security Insurance Company of New Haven*

Western Department  
ROCKFORD, ILLINOIS  
Walter D. Williams, Manager

# TORNADO Reinsurance

PRO-RATA



EXCESS

**INTER-OCEAN REINSURANCE  
COMPANY**  
CEDAR RAPIDS, IOWA

Assets \$2,569,807.88

Reserves \$1,619,403.66

Surplus to Treaty Holders \$950,404.22

## The JUNIOR BROADCASTER

VOLUME VI

LE ROY, OHIO

No. 6

### Editorial

**NINETEEN** twenty-eight brings with it the eightieth anniversary of the organization of the Ohio Farmers Insurance Company. In the four-score years of the Company's history, it has grown into a nation-wide fire insurance carrier, doing business in twenty-six states and in British Columbia.

The Old Man on the Fence, trade mark of the Ohio Farmers, appears on policies of fire, hail, lightning, explosion, windstorm, sprinkler leakage, rent, rental value, use and occupancy, parcel post, tourist baggage, motor cargo, and automobile fire, theft, windstorm, collision and property damage.

Since 1848, the Ohio Farmers has paid losses to policyholders amounting to more than Forty-four Millions of Dollars.

**JANUARY**—the month of automobile shows—when the whole motoring public is interested in cars—let's talk about automobile insurance!

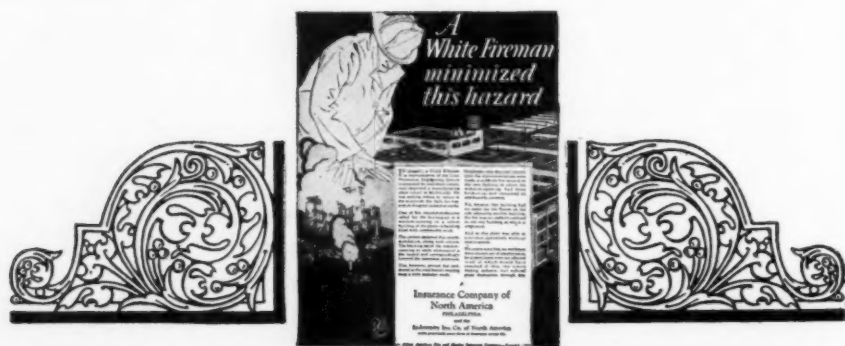
The Ohio Farmers writes all forms of automobile insurance except public liability. Cash Value policies are popular among Ohio Farmers agents but the older form of non-valued Specific Amount policy is available in all territories.

In addition, there are, of course, convenient forms for the various types of dealer's coverages, such as blanket, open, specific and monthly reporting policies.

The Ohio Farmers agent with automobile supplies has facilities for a complete automobile insurance agency.

**WINDSTORMS** and tornadoes threaten all parts of the United States all the time. November and December brought losses to property in many sections of the country while approaching Spring may always be depended upon to spread destruction.

We at the home office of the Ohio Farmers Insurance Company know it is useless to hope that there will be no more disastrous windstorms. Our best endeavors are turned toward extending the benefits of insurance to all who own property.



# YOUR WHITE FIREMAN

**T**HIS new character, now featured regularly in all North America national advertising, reflects *your* service to property-owners in helping them reduce fire hazards and lessen insurance-costs. As a North America agent *you* are being "sold" to prospective clients on the basis of a practical, helpful loss prevention service that means to them full insurance protection at the lowest practicable rates. And property-owners are quick to sense the advantages of such co-operations.

## Insurance Company of North America

PHILADELPHIA

and the

## Indemnity Ins. Co. of North America

*write practically every form of insurance except life*



Thirty

NO

Unite

T

DE

Point

Fil

WA

Appea

the s

case

Supre

brief

Hugh

points

U. S.

sumin

in the

ties c

of ins

The

of th

based

pany

busin

the s

preve

reaso

asser

durin

rehea

ticula

It

simila

senite

days.

Kans

been

Cour

The

to b

borat

skille

and

for

comp

any

of th

comp

of tr

state

reaso

the l

the p

in th

Th

comp

rehe

Unit

unde

the c

XUM



# The National Underwriter

Thirty-Second Year No. 4

CHICAGO, CINCINNATI AND NEW YORK, THURSDAY, JANUARY 26, 1928

\$4.00 Per Year, 20 Cents a Copy

## NO REHEARING IN THE MISSOURI CASE

United States Supreme Court  
Turns Down Application of  
the Companies

### DECISION ATTACKED

Points That Were Made in Petition  
Filed By Charles Evans Hughes  
and Associates

WASHINGTON, D. C., Jan. 25.—Appeal of the Aetna for a rehearing of the so-called Missouri insurance rate case was denied by the United States Supreme Court this week. In a lengthy brief filed with the court, Charles Evans Hughes and associate counsel outlined points on which it was contended the U. S. Supreme Court had erred "in assuming that the principles which apply in the cases of railroads and public utilities can have application to the business of insurance."

#### Ground for Rehearing

The company attacked the decision of the court which, it is claimed, was based upon the ground that no one company claimed that, when applied to its business, the reduced rates ordered by the superintendent of insurance would prevent the company from making a reasonable profit, a ground which, it is asserted, was not brought into the case during the proceedings and, therefore, rehearsings should be held on that particular point.

#### Kansas Case to Come Up

It was also pointed out that a suit similar to the present case will be presented to the court within the next 30 days. The new action will deal with the Kansas statutes, which already have been considered by the U. S. Supreme Court in the German Alliance case. The brief said in the Kansas case, soon to be presented here, there was elaborate evidence of economists and others skilled in the subjects of insurance rates and averages to the effect that rates for the future of any one insurance company cannot possibly be made upon any basis except upon the consideration of the experience of a large number of companies over a considerable period of time in a territory not smaller than a state. A reargument of this case may reasonably be ordered in connection with the Kansas case, as this court will have the present questions for reconsideration in that case.

#### NEXT STEP IS UNCERTAIN

The next step to be taken by the fire companies, now that the petition for a rehearing has been overruled by the United States Supreme Court, is still undetermined. A little time is allowed the companies to lay their plans because

(CONTINUED ON PAGE 40)

## J. M. THOMAS SPEAKS ON MISSOURI RATE WAR

### ADDRESSES INDIANA MEETING

Vice-President of Fire Association Sees  
Business on Sound Basis Despite  
Many Difficulties

John M. Thomas, vice-president of the Fire Association, in his address before the Indiana Insurance Day meeting last Tuesday made some pertinent comments on the Missouri and Kansas rate cases, saying in part:

"Even now clouds are distinctly visible on the horizon which portend unpleasant and costly difficulties. One instance in point is the recent decision, or rather lack of a decision, of our highest court in the famous Missouri rate case, which reveals, if the decision shall stand as the law of the land, that in Missouri alone the business will be compelled to return to policyholders some \$8,000,000 or \$10,000,000. To part with such a considerable sum in cash is not a trivial incident in any circumstance, but when it is recalled that during all of the test period covered by the litigation, and since, the fire companies have collectively incurred losses and expenses, and set up reserve liabilities in a sum substantially more than they have earned in premiums, the hardship becomes a real one.

"The losses from this individual case, important as they are, would be quickly absorbed, however, if the harm would stop there. But as Missouri goes, so goes also, in all probability, the Kansas rate case, which, while different in details, is practically identical as to fundamentals.

#### Harm May Become Widespread

"If the harm stopped even then, the business would not suffer permanent injury, because the companies could and no doubt would so adjust the situation as to give them some hope of profit, or, failing in this, give up the contest and withdraw from the two affected states. But with the almost certain prospect that many other states, perhaps a majority of them, will demand and secure the same treatment, the situation becomes very grave. In fact, some of the best minds in our profession believe that this very Missouri rate case holds greater possibilities of evil consequences and necessity for costly readjustment and turmoil and trouble than has been produced by any other single incident in more than a generation. It is by no means extravagant to predict that it may require a rebuilding of the entire rate structure in order that the business may save itself and continue adequately to serve the public, because it will compel the use of formulae for computing the vital elements of solvency on a theory and practice entirely at variance with that which forms the background and present foundation of the entire scheme of rate building and profit computation.

#### Some Good May Result

"However, there may be some who will contend that such revolutionary treatment may not be, after all, an unmixed evil, when the appalling fact is remembered that the fire and lightning

## NATIONAL ASSOCIATION TO MEET AT MEMPHIS

### HOLD MID-YEAR CONFERENCE

Executive Committee Assembles March  
12 and General Session Begins  
Two Days Later

NEW YORK, Jan. 25.—Memphis has been selected by the executives of the National Association of Insurance Agents as the meeting place for the mid-year conference of the organization, which will be held March 14-15. Ample accommodation for all attendants at the gathering are assured. Members of the executive committee of the association will meet on the morning of March 12, and on the following day a conference will be had with the officials of the various state organizations. This will be followed by a get-together dinner in the evening open to all comers. General business sessions of the conference will begin on the morning of the 14th.

#### Consider West Baden, Ind.

While invitations to hold the mid-year conference were received from West Baden, Ind., Indianapolis and other points of the central west, the thought of the executive committee was that the gathering should take place somewhere in the south where favorable weather might reasonably be counted upon. Final decision in the matter was entrusted to the officials of the association and after a visit to this city where Secretary W. H. Bennett resides and the latter's confident assurance that every possible requirement for the successful handling of the gathering could be met, Memphis was selected.

The local agents of that city are enthusiastic over the selection, a feeling that is shared by the mayor, who has expressed himself to that effect. Last year the mid-year conference was held in Chicago; in 1926 Cincinnati was thus favored, Savannah in 1925, Washington, D. C., in 1924, Asheville in 1923 and Chattanooga in 1922.

operations of the 210 companies members of the National Board produced a net underwriting deficit during each of the six years 1921 to 1926, inclusive—the aggregate deficit for the period amounting to \$145,000,000 on a premium turnover of \$3,500,000,000.

"The burden of taxation borne by insurance companies is greater than that exacted from any other business in this country.

#### Business Is on Sound Basis

"Notwithstanding the troublesome rate cases in Missouri, Kansas and Kentucky, the general agency row in the

(CONTINUED ON PAGE 40)

## INDIANA DAY NUMBER

The detailed proceedings of Indiana Insurance Day, together with the addresses delivered there, will be covered by a special edition of The National Underwriter, which will be sent out to all subscribers this week.

## SERIOUS CLASH OVER CHICAGO BOARD RULES

Fourteen Managers Representing  
37 Companies Declare Unwilling-  
ness to Observe Amendments

### MAY DROP OUT OF BOARD

Formal Protest Filed Sets Forth Objections  
to Regulation of Class 2  
Commissions

Fourteen prominent and important western managers representing 37 companies and over 30 percent of the premiums written in Cook County have notified the Chicago Board that they will not observe the new rules regulating the commissions of Class 2 agents adopted by the board on Jan. 12 and which are at present scheduled to be made effective Feb. 1. In the protest which they have filed with the board the most challenging statement that they make is:

"We would direct your attention to the fact that the matter of compensation to agents rests fundamentally within the power and discretion of the companies themselves, and further, your legislation upon this subject is subversive of the objects and purposes of your constitution.

"We accordingly place ourselves on record with your board as totally unwilling to support and observe the legislation above referred to."

#### To Hold Special Meeting

A special meeting of the Chicago Board will be held today (Thursday) for the purpose of acquainting the members with the results of the ballot upon the amendments submitted at the Jan. 12 meeting and to discuss with the members the formal protest received from the managerial group. At this meeting the advisability of placing the amendments in effect on Feb. 1 in accordance with the resolution adopted at the annual meeting or of changing the effective date will be considered. A crisis can be averted only if the board votes to postpone the effective date of the new legislation, as there is no question but that the protestants are determined not to abide by the new rules. If at today's meeting the board votes to make the new rules effective next Wednesday it will undoubtedly mean that those who have filed the protest will refuse to obey the new rules. Failure to observe a rule of the Chicago Board is equivalent to the tendering of a resignation, and thus the company officials who declare that they will not observe the new rules will, simply through failure to observe them, automatically resign.

#### Critical Situation

This is the most critical situation that the Chicago Board has had to face in its entire history. Two of its most important factions are apparently irreconcilably opposed to each other. They both



seem equally determined. The disruption of the board is threatened. Should this occur it would mean almost complete chaos in the writing of the business in Chicago. If the companies that are in protest should resign the board would then require that all agencies belonging to the board cease to represent those companies and this would mean an almost wholesale realignment of agency representation and would force the resigned companies to ally themselves with producers and agencies not affiliated with the board.

#### Object to Commission Regulation

The break has come because the protesting companies take the position that Class 1 agents should not be allowed to decide upon the commissions to be paid to Class 2 agents under a Chicago Board rule when the commissions of Class 1 agents themselves are not regulated by the board. They are of the belief that the new rules will simply have the effect of diverting the Class 2 business to Class 1 agents instead of companies, and that the Class 1 agents are keen for this change so that they may get the benefit of the overriding commission on the Class 2 business.

#### Keen for Class 2

The companies in opposition to the recently adopted rules all have large Class 2 plants and many of them assert that this business is far more profitable to them than that received from Class 1 agents. They say that if they were forced to give up either their Class 1 or Class 2 business they would relinquish Class 1 instead of 2. They assert that it is not the province of the board to regulate what commissions companies which are dealing direct with Class 2 agents shall pay. They point out that the board is and has been for years officered by local agents and that the majority of the members of the executive committee are local agents. They contend that a board whose active affairs are administered by local agents should not be placed in a position to regulate contractual relations between companies and agents. They make the point that no commission rules will ever be satisfactory that are drawn up and approved by Class 1 agents and which yet exclude any regulation of Class 1 commissions.

#### Argue for Amendments

On their side the local agents and companies which are championing the new amendments say that they will only result in a reduction in acquisition costs and that they are fair and equitable to every element of the board membership. They would bring down the commissions paid to Class 2 agents to a maximum of 15, 20 and 25 with heavy fines for violations. They point to the fact that conditions in the Class 2 field have been in a greatly disturbed state, that excess commissions and special contracts have been made and that many companies have simply gone wild in their scramble for Class 2 premiums. They declare that the new rules will regulate and improve this condition and will, in fact, bring order out of chaos. The penalties provided in the amendments are so severe as to make "cheating" unprofitable.

#### Point to Saving

With \$29,000,000 of premiums written in Cook County and with the new rules providing on the average a commission reduction of 10 percent it is estimated by the proponents of the amendments that they will save between \$3,000,000 and \$4,000,000 in the acquisition cost of Class 2 business alone. They make the contention that the new rules are not designed to favor any class of membership but that they are instead fair to all alike. They assert that if the new rules are enacted, no company will have advantage over another and that members will know that excess commissions are not being paid because the penalties provided for violations of the rules are so heavy that no company could afford to take a chance on being fined

(CONTINUED ON PAGE 22)

## OHIO FARMERS HOLDS 80TH ANNUAL MEETING

### NEARLY 200 AGENTS PRESENT

Secretary D. W. Crane Says Statement Figures Mark 1927 as Highly Successful Year

LE ROY, O., Jan. 25.—Records by the score were broken here last week at the 80th annual meeting of the Ohio Farmers. Nearly 200 representatives of the company were present when President F. H. Hawley gave his genial welcoming address.

Admitted assets of the company, as announced by Secretary D. W. Crane, are the highest they have ever been in its history and other figures from the statement indicate that 1927 was a highly successful year.

The ivy trophy, bronze statuette of the "Old Man on the Fence," was won by the southwestern Ohio district. This trophy has been won by northern Ohio districts for the past four years but due to the hard work of W. B. Hilliard, local agent at Hillsboro, naturally adverse conditions were overcome by the agencies in the Cincinnati territory.

J. C. Spencer, Findlay agent, spoke on the subject of "Meeting Competition." He said that old time competition included slander, price cutting and manslaughter. Nowadays competitors meet to discuss cooperation. Insurance agents must be prepared to change pose and direction quickly, leaving slower competitors to follow old beaten paths. Advertising is an important means of meeting competition but it must be individualized to meet local conditions. Mr. Spencer uses generous quantities of advertising, especially direct mail which he encloses with other matter going to policyholders so that his postage stamps always carry full loads.

Frank L. Mulholland of Toledo, past president of Rotary International, was the principal speaker Tuesday evening.

## BENNETT TO REPORT ON WEST VIRGINIA CASE

### PAYS VISIT TO CHARLESTON

Secretary-Counsel of National Association Also Arranges for Memphis Meeting in March

NEW YORK, Jan. 25.—Walter H. Bennett, secretary-counsel of the National Association of Insurance Agents, is again in this city after spending a week's time in the south, during which he made a study of the West Virginia commission situation, conferred with President W. E. Harrington at Atlanta concerning various important questions before the organization and later arranged for holding the mid-year conference of the association at Memphis the week of March 12.

At Charleston Mr. Bennett interviewed many of the agents, getting their angle of the controversy with the West Virginia Uniformity Association. He also interviewed the state insurance officials and the attorney-general regarding the legal action instituted by the latter against the associated companies. That case is on the calendar for hearing Feb. 6. Mr. Bennett's finding and recommendations will be embodied in a report to the executive committee of the National association, and a statement thereon will likely be made public within a week or ten days. The desire of the executive committee is to bring about harmony between the warring elements, and every effort will be put forth toward the attainment of that end.

His subject was "It's Well with the World."

Officers of the Ohio Farmers Agents Association for 1928 are: W. B. Hilliard, Hillsboro, president; Carl Duerr, Canton, vice-president; and Frank E. Kirkpatrick, Columbus, secretary-treasurer.

## REGRETS MISSOURI RATES MADE "POLITICAL PAWN"

### MARKHAM REVIEWS MUDDLE

Thinks Agents Should Have Been Consulted—Talks Insurance Before Manufacturers Cost Association

Regret that fire insurance rates have been made a political pawn in Missouri was expressed by George D. Markham, president of W. H. Markham & Co., St. Louis, in an address before the southern division of the Manufacturers Cost Association at East St. Louis, Ill., Jan. 24.

"I place no blame, but I regret the fact that the local insurance agents in Missouri have not been consulted by the Missouri authorities and the insurance companies," Mr. Markham declared. "Sensible negotiation might have sufficed in place of fighting and financial bloodshed."

"The machinery to estimate fire insurance rates, which are fair and equitable to both the policyholder and the insurance company, must cost about 3 percent of the gross premiums or nearly \$24,000,000 a year."

"All this expense is paid, of course, by the policyholder, but it is a slight burden compared to that which is loaded upon him by poor construction, poor housekeeping, careless disregard of the safety of employees, not to speak of arson and ambulance chasing."

#### Reviews Schedule Rating

"The fire insurance companies' system of schedule rating, by which every defect appears as an item in the rate, is itself a powerful incentive to make risks more safe. This invention of schedule rating must be credited to St. Louis where in 1872 the old St. Louis Board began the use of schedule charges applicable alike to all risks."

Mr. Markham then told his audience that in the 46 years he has been in the insurance business in St. Louis the construction of stores, commercial buildings, office structures and factories has been revolutionized so completely that high values today are insured at low cost, the continuance of business is protected against interruption by fire and the lives of employees are made safe. He pointed out that use and occupancy insurance is now carried by every alert business man and manufacturer.

#### Tornado Insurance Appreciated

He stated that tornado insurance has never been so highly appreciated as at the present time. The tornado of Sept. 29, which did about \$25,000,000 damage in St. Louis and vicinity, is largely responsible for this good opinion of tornado insurance, he agreed.

Touching on automobile insurance rates he termed that question "a fire and tender topic."

"To reach equitable rates on automobile insurance which are fair to customer and to the insurance company is the effort of rating bureaus," he continued. "I suggest that none of you assume that the automobile rating bureau does not know the facts on this it is not trying to act fairly. But these rates are not excessive, we may all give cautious scrutiny to any insurance venture which proposes to operate below these rates."

#### W. S. Hukill President

The governing board of the Cincinnati Fire Underwriters' Association has organized by making W. S. Hukill president and C. C. Rother vice-president. The other members of the board are Thomas Wood, Eugene Buss and J. Gano Wright. The next meeting of the association itself will be held Feb. 1. At this meeting the proposed amendments to the constitution will be acted upon finally.

## CONDENSED NEWS OF THE WEEK

Rehearing in Missouri rate case is denied by United States Supreme Court. **Page 3**

Much interest is taken in the promulgation of the new rules of the Chicago Board and opposition on part of some leading companies. **Page 3**

National Association of Insurance Agents will hold its mid-year meeting in Memphis March 14-15. **Page 3**

Indiana Insurance Day was celebrated this week. **Page 6**

John M. Thomas reviews recent insurance rate litigation in Indiana Day address. **Page 3**

Rate recommendations made by Virginia legislative commission. **Page 5**

T. E. Braniff and associates organize Prudential Fire at Oklahoma City. **Page 5**

Tornado premium refunds in Kansas declared not deductible as return premiums by Superintendent Baker. **Page 10**

Identification certificate for automobile policyholders ready for distribution by National Association of Insurance Agents. **Page 12**

Representative of German companies protests against inclusion in alien property "return" bill of provision requiring carriers to satisfy claims arising out of San Francisco earthquake and fire. **Page 5**

Howe S. Landers elected president Indiana Insurance Federation. **Page 6**

Accord on non-policy-writing agents cannot exist until Eastern Underwriters Association determines status of these representatives. **Page 5**

Commission for local agents in state

of Washington is fixed at 15, 20 and 25 percent, with brokerage 5 percent less. Remuneration applies to straight fire and automobile fire and theft. **Page 15**

E. W. West, president of the Glens Falls, announces he will retire from business at the close of this year. **Page 21**

Vice-President Jesse E. White of Great American retires to give attention to personal affairs. **Page 12**

Secretary-Counsel Bennett will report to executive committee of National association on West Virginia. **Page 4**

Security of New Haven and East & West will increase capital. **Page 5**

Ohio Farmers holds its annual agency convention. **Page 4**

The Ocean Accident will not renew its present contracts with bank associations when they expire. **Page 43**

New chairman of board elected by directors of Fidelity & Deposit. **Page 45**

President J. Scofield Rowe of Metropolitan Casualty traces growth of that organization. **Page 45**

The Michigan department is investigating the increased auto liability rates. **Page 43**

Several Maryland companies have protested against the excessive taxes in that state. **Page 44**

Maryland Casualty will celebrate its 30th anniversary this year. **Page 45**

Lloyds of London continue to make progress in bankers' blanket bond field in United States. **Page 45**

K. V. Rothschild resigns as Chicago branch manager of Federal Surety and joins William C. Danne office. George Wolfe and E. H. Steffeln made Federal's Cook County managers. **Page 44**

## EASTERN ASSOCIATION HAS TASK TO PERFORM

Must Determine Status of Non-Policy Writing Agent in Various Important Centers

### LOCAL BOARDS MUST ACT

Problem of Company Representation Is Brought Directly to Attention of Managers

NEW YORK, Jan. 25.—The status of the non-policy-writing agent in the fire field will have to be definitely determined by the Eastern Underwriters Association before complete accord can be attained in various important centers of the territory, notably in the New Jersey counties of Essex, Hudson and Camden and in Allegheny county, Pa., in each of which fields the non-policy-writing agent exists in large numbers. To a lesser degree he is to be found in and about Providence, R. I., and in north-eastern Pennsylvania. Agents in the centers named above are unwilling to accept the new agreement of the association until both the non-policy-writing agent and the limitation of representation questions are disposed of.

Under the constitution of the Eastern Underwriters Association the body is barred from legislating on company representation, that being a matter local boards will have to wrestle with, just as did the agents of West Virginia a year or more ago. The non-policy-writing agent issue, however, is squarely up to company managers and will have to be solved by them.

#### Commission Differential Suggested

Not a few of the company executives are in complete sympathy with the orthodox agents in the insistence by the latter that a commission differential be granted them as against that allowed the non-policy-writing men, who bear none of the operating expense enforced on the regular agents. President C. W. Bailey of the American of Newark recommends 10 percent as a differential, holding it none too great in view of the difference in the character of service rendered by the two classes of representatives.

Pending the adjustment by local agents of the excepted cities of Baltimore, Boston, Philadelphia, including the suburban district, and Allegheny county, Pa., of various local questions, enforcement of the new agreement has been deferred to April 1. The commission program for Essex, Hudson and Camden counties, as well as that intended for the 10 northern counties of New Jersey will go over possibly to June 1. The arrangements perfected for Buffalo and Washington, D. C., are in effect. Agents in the northern section of New Jersey are still meeting in various centers and at different times to consider the subject.

#### Special Meeting Called

Harry L. Goodshall, president of the New Jersey Association of Fire Underwriters, has called a special meeting of the organization at Trenton Feb. 2, when the general commission situation in the state, as well as related matters, will be threshed out. Some of the objecting agents have made good their threat to take the commission question to the legislature and are behind a bill now before that body seeking an amendment to the Ramsey rating law whereby commissions would be governed by statute.

When the superintendent of insurance

## BRANIFF HEAD OF THE NEW PRUDENTIAL FIRE

### OKLAHOMA COMPANY FORMED

Will Have \$500,000 Capital and Same Surplus—President Is Widely Known Insurance Man

OKLAHOMA CITY, Jan. 25.—Articles of incorporation of the Prudential Fire of Oklahoma City have been filed by the Thomas E. Braniff interests. The new company will have \$500,000 capital and \$500,000 surplus. Thomas E. Braniff of the T. E. Braniff Company has been made president; Ed Overholser and G. A. Nichols, vice-presidents; E. E. Doggett, secretary, and G. Tom Beaver, treasurer. The incorporators are W. R. Ramsey, Frank Buttram, S. A. Layton, F. D. Bearly, Irving Perrine, H. D. McEwen, V. V. Harris and R. S. Hanna. The directors are T. E. Braniff, G. A. Nichols, Ed Overholser, W. R. Ramsey and Frank Buttram. Offices will be in the Braniff building.

#### Backed by Wealthy People

The organization of the company was undertaken by Mr. Braniff at the instigation of the president of the Oklahoma City chamber of commerce, Mr. Overholser, and it is backed by the wealthiest and most influential people of that community. Mr. Overholser is one of the pioneer citizens of Oklahoma City and a very substantial property owner. Mr. Nichols is the largest builder of fine homes in the southwest. Mr. Doggett is superintendent of agents for the T. E. Braniff Company and Mr. Beaver is chief accountant. Mr. Buttram and Mr. Ramsey are prominent oil men.

The intention is to operate the company out of the T. E. Braniff Company's office along with the other companies now operated by that office on a general agency basis. Mr. Braniff has felt for some time that Oklahoma should have a first class fire insurance company and that his office was the logical one to sponsor it. The company will in the beginning confine its operations to the state of Oklahoma and will branch out into additional territory as conditions warrant. It is not expected to begin operations for three or four months yet. The lines written will be fire, tornado and automobile insurance.

#### Braniff Widely Known

Mr. Braniff himself is one of the prominent insurance men of the country. He heads a large local and general agency in Oklahoma City as well as a big investment company. His activity in national affairs has made him widely known. He is a former president of the National Association of Casualty and Surety Agents.

of New York endeavored to regulate commissions in the state several years ago on the theory that these constituted an element of rate making, the court of appeals stayed the effort, holding that such was not the intent of the statute. Whether a special act, such as is before the New Jersey legislature, would be constitutional is a debatable question. A considerable element among the agency force regrets any appeal to the legislature for the regulation of commissions or other expenses in the conduct of the insurance business, maintaining that this would be but the forerunner of minute regulation of private affairs by the state, a condition that would be deplorable.

#### Ohio Farmers Statement

The Ohio Farmers new annual statement shows assets \$5,247,484, gain \$476,477; premium reserve \$3,512,360, increase \$207,248; premiums \$3,362,732, losses \$1,488,648, loss ratio 44 percent; net surplus \$1,170,045, gain \$82,908; special reserve \$75,000, making total surplus \$1,245,045.

## VIRGINIA REPORT HITS AT THE FIRE COMPANIES

### SEES BIG PROFITS IN STATE

Investigating Commission Wants Commission to Control Rates—Bureau to Include Mutuals

RICHMOND, VA., Jan. 25.—Bills are being introduced in the Virginia general assembly embodying the findings and recommendations in the report of the legislative rate probing commission. The recommendations are as follows:

1. A comprehensive and effectual anti-discrimination and rate control law.
2. Control of rates through the state corporation commission, instead of the insurance department.
3. In lieu of the state corporation commission a special commission of rate commissioners of three members similar to the fire insurance board of Louisiana.
4. The insurance commission to have authority, (a) to investigate the problems of fire, casualty and automobile insurance as well as surety bonds, and also the question of rates, and to make recommendation to the general assembly with reference thereto; or (b) To have absolute authority to fix or approve all fire insurance rates in Virginia, both basic rates and final or ultimate rates. (c) To fix qualifications for agents and to license them.
5. That a new inspection and rating bureau be set up, embracing all classes of companies, stock, mutual and reciprocal, and all required to join, to be independent of the S. E. U. A.
6. That the state be organized as a unit for rate making purposes and the lower rate in the best sections shall be taken as a basis for the entire state so far as possible.
7. That the companies shall be allowed only a reasonable profit and the term "underwriting profit or loss" shall be eliminated.
8. Reduction of the \$100 fee for non-resident brokers to \$10.
9. Amendment of the law so as to require a deposit from non-resident companies only in the discretion of the insurance authority.

The commission also recommends the making of compensation rates by the state industrial commission.

Findings of the commission declare the companies are making large profits and paying large dividends and that their method of computing profit and loss is fallacious. It is declared that on a proper method of computation it will be shown that the companies are making more than a reasonable profit. The rate increase of 1926 is denounced as costing Virginia over \$1,000,000 a year. The state is declared to be at the mercy of the Southeastern Underwriters Association, located in Atlanta. The average rate in Virginia is given as \$1.12 compared with 93 cents for the United States, and the burning ratio in Virginia is given as 49 cents, compared with 52.8 percent for the country at large. Rate divisions within the state are denounced, and it is declared there is wide discrimination between property within the state and also as compared with similar property outside the state.

#### Rating Bill Introduced

Among the bills introduced this week was one placing regulation of fire insurance rates under control of the state corporation commission and providing for organization of the Virginia Rating Bureau within 60 days after enactment of the law. It is understood that Governor Byrd favors placing regulation of rates directly under the corporation commission and that in deference to his views that plan was embodied in the bill instead of the alternative one, suggested by the investigating commission, of creating a separate commission of three to supervise and control rate matters.

## PROTESTS ARE MADE ON REVIVING CLAIMS

Alien Property "Return" Bill Basis of Argument on Alleged Unfairness to German Carriers

### DISCRIMINATION CHARGED

Proposed Legislation Would Resuscitate Calls for Money Declared Barred by Statute of Limitations

WASHINGTON, D. C., Jan. 25.—Protest against inclusion in the alien property "return" bill now before Congress of a provision requiring German insurance companies to satisfy all claims filed against them before their property, seized during the war, can be returned, were filed with the Senate finance committee today by representatives of the companies. Inclusion of this provision would require satisfaction of claims otherwise barred by the statute of limitations, the committee was told by Nathan Ottinger, representing a number of companies, who declared that the legislation was aimed at settlement of claims arising out of the San Francisco earthquake and fire of 1906, there being no other such claims outstanding.

#### Characterizes Move as Discrimination

The move was characterized as discrimination, it being contended that the United States branches of the German companies were to all intents and purposes American companies. The San Francisco claims, it was asserted, are wholly invalid, both on their merits and by reason of the statute of limitations. The move, it was alleged, savors of an intent to confiscate former enemy property not for the benefit of the United States but for the payment of invalid claims to certain individuals.

Mr. Ottinger went deeply into the situation arising out of the San Francisco disaster with a view to showing that the German companies had brought millions of dollars to this country to satisfy the claims without throwing their American branches into bankruptcy. The legislation proposed, reopening closed transactions after a lapse of more than 20 years, Mr. Ottinger declared, would have a revolutionary effect on business both in this country and abroad, particularly on citizens or corporations doing business in foreign countries who would be subject to action under the precedent set by this nation that a foreign government can order the reopening of transactions or the resuscitation of alleged claims against the nationals of other countries after a lapse of many years.

#### SECURITY'S CAPITAL

##### WILL BE INCREASED

The directors of the Security of New Haven have voted to issue 12,000 additional shares to be offered to stockholders at \$50 per share, par \$25. Stockholders are entitled to subscribe for one new share for every five shares held by them. Rights to take the new shares will expire on May 1, 1928. The new stock must be paid for in full on or before that date. This new issue increases the capital stock from \$1,500,000 to \$1,800,000 and adds \$300,000 to the surplus.

The directors of the East and West of New Haven, the wholly owned subsidiary of the Security, voted a stock dividend of \$250,000 by the transfer of that amount from the surplus, thus increasing the capital from \$500,000 to \$750,000.



1819 1928

## PILLARS OF STRENGTH

Three Great Companies  
Providing Strong  
and Dependable Insurance  
in Fire and Allied Lines  
and in Casualty and  
Surety Protection

THE WORLD  
FIRE AND MARINE  
INSURANCE COMPANY  
HARTFORD, CONN.

The  
Century  
Indemnity Company  
HARTFORD - CONNECTICUT

MORE THAN A CENTURY OF SERVICE  
AETNA  
INSURANCE CO.  
HARTFORD, CONN.  
INCORPORATED 1819 CHARTER PERPETUAL

## INDIANA DAY WAS FITLY CELEBRATED

Elaboate Program Was Prepared  
for the Convention at  
Indianapolis

### FEDERATION MEETING ON

Howe S. Landers Was Chosen President  
and Elbert Storey Will Be Chair-  
man Next Year

INDIANAPOLIS, Jan. 25.—Indiana Insurance Day and the annual meeting of the Indiana Insurance Federation brought a number of insurance men to this city from out in the state and from other sections. This year the life insurance men had separate sessions. The Monday meetings were devoted to a consideration of questions relating to managers and general agents and the Tuesday meetings were a sales congress for all life insurance men. Elbert Storey of Indianapolis, manager Bankers Life of Iowa, who was general chairman of the entertainment committee, also acted as chairman of the life insurance committee. The sessions of life insurance men were very largely attended. In fact they eclipsed the other meetings by all odds. The people took intense interest in their program and a big crowd responded to the call.

#### Landers Heads Federation

Howe S. Landers, who was chairman of Indiana Insurance Day, was sent by his company, the Metropolitan Casualty, to the Pacific coast to take temporary charge there following a readjustment of arrangements. Therefore the duties of carrying on the work rested on Joseph W. Stickney, president of the Indiana Insurance Federation, Herbert L. Barr, chairman of the executive committee and former president and the other committeemen. Mr. Landers was elected president of the federation.

Mr. Stickney presided at the Tuesday morning session and Mr. Barr Tuesday afternoon. Mayor L. Ert Slack of Indianapolis gave the welcome. Insurance Commissioner Clarence C. Wysong in a talk said that the insurance department does not attempt to dictate the policy of insurance companies. Its purpose is to serve all concerned, policyholders, agents, companies, officials and investors. He said that the Indiana department has received fine cooperation from the insurance men. Mr. Wysong declared that there is probably too much regulation. The department he said should not assume the attitude of super intelligence.

#### R. W. Miller a Speaker

R. W. Miller of Chicago, special agent for Conkling, Price & Webb, manager of the London Guarantee & Accident, brought letters of greeting from L. J. Kempf, president of the Illinois Insurance Federation and president of the Illinois Casualty Underwriters Association; Freeman C. Read, president of the Chicago Casualty Field Club and J. M. Newburger, president of the Illinois Association of Insurance Agents.

Mr. Miller spoke on compensation insurance, bringing out the fact that in his opinion there is an exploitation of the compensation act by its beneficiaries. Malingering has increased. There are many evidences of an imposition on part of claimants. He also called attention to the fact that medical men are taking advantage of the situation and are commercializing their profession. Some do not hesitate to impose on insurance companies by increasing the number of calls and prolonging treatment. Mr. Miller also criticized the universal analytic system saying that it has not been sufficiently refined to do

### NEW FEDERATION OFFICERS

President—Howe S. Landers, Landers & Landers, Managers Metropolitan Casualty, Indianapolis.

Vice-Presidents—Elbert Storey, Agency Manager, Bankers Life of Iowa, Indianapolis, First Vice-President in charge of Indiana Insurance Day; James A. Hayden, State Agent, American of New Jersey; Fred Robertson, Manager, Fidelity & Deposit, Indianapolis; J. J. Fitzgerald, Secretary, Grain Dealers National Mutual Fire; D. J. O'Keeffe, O'Keeffe & Co., Fort Wayne, Ind.; H. L. Barr, General Manager, Gregory & Appel, Indianapolis; E. F. Johnston, Mack & Johnston, General Agents, Northwestern Mutual Life, South Bend, Ind.

Secretary—Hugh E. Reynolds, Attorney, Indianapolis.

Treasurer—C. Curtis Duck, Spana Company, Indianapolis.

#### DIRECTORS

LIFE—Frank L. Jones, Agency Manager, Equitable Life of New York, Indianapolis; Fred M. Dickerman, Manager Guardian Life, Indianapolis; Dr. H. E. Sharrer, President, Northern States Life, Hammond; Dan B. Niede, Vice-President, Lincoln National Life, Fort Wayne; Russell T. Byers, Vice-President, American Central Life, Indianapolis; A. E. Werkoff, President, Lafayette Life, Lafayette, Ind.; W. A. Courtwright, General Agent, Penn Mutual Life, Indianapolis.

FIRE—Ross A. Moore, State Agent, Concordia Fire, Indianapolis; W. J. Henshaw, Special Agent, Commercial Union, Indianapolis; C. O. Bray, State Agent, Hartford Fire, Indianapolis; M. S. Harlan, Manager, State Savings & Trust Company, State Agent, Globe & Rutgers Fire, Indianapolis; O. H. Rudy, State Agent, State of Pennsylvania, Indianapolis; C. D. Lasher, State Agent, Home of New York, Indianapolis; G. W. Mercer, State Agent, Hanover Fire, Indianapolis.

CASUALTY—F. J. Carroll, Resident Manager, Globe Indemnity, Indianapolis; R. C. Griswold, Manager, Aetna Casualty & Surety, Indianapolis; C. A. Roberts, Manager, Indemnity Insurance Company of North America, Indianapolis; O. L. Mummert, Manager, London Guarantee & Accident, Indianapolis; Edward Donaldson, Manager, Ohio Casualty, Indianapolis; F. T. Fairchild, Manager Union Indemnity, Indianapolis; George H. Radcliffe, Manager, Travelers Indemnity, Indianapolis.

LOCAL AGENTS—H. J. Geschieder, Hammond Trust & Savings Bank, Hammond; Ross E. Coffin, Manager Insurance Department, City Trust Company, Indianapolis; F. A. Tedford, President, Mitchell Agency, Lafayette; A. D. Merrill, McKibben, Buntin & Merrill, Terre Haute; Bon O. Aspy, Indianapolis; R. E. Throckmorton, Manager Insurance Department, Washington Bank & Trust Company, Indianapolis; Joseph W. Stickney, Fletcher American Company, Indianapolis.

ATTORNEYS—C. B. Welliver, Cox, Welliver & Walsh, Indianapolis; William L. Taylor, Taylor and Carter, Indianapolis; C. F. Merrell, Slaymaker, Turner, Merrell, Adams & Locke, Indianapolis; Burrell T. Wright, White & Wright, Indianapolis.

FRATERNAL—John C. Snyder, Supreme Chief, Supreme Tribe of Ben Hur, Crawfordsville, Ind.; J. D. Vols, Director, Modern Woodmen of America, Indianapolis.

STATE FIRE MARSHAL—Alfred M. Hogston, Indianapolis.

the work accurately. He called attention to the automobile liability situation showing that the business in 1926 was conducted at a 2 percent loss. There has been a great increase in automobile claims due to congestion, greater carelessness, suits on part of relatives against the driver, etc. He characterized the automobile business as stable and satisfactory saying that it was one of the best classes casualty companies write.

#### Thomas Points Out Danger

John M. Thomas, vice-president of the Fire Association, in his talk said that the Missouri decision may revolutionize the business. He characterized it as the most momentous thing that has happened to fire insurance in a generation. He said that if the companies had to pay back to Missouri from \$8,000,000 to \$10,000,000 of dollars when

(CONTINUED ON PAGE 22)



Standard Fire Insurance Policy of the State of New York  
 Policy No. 1522546  
 Property Insured: 1000000  
 Amount: \$1000000  
 Insured: 1000000  
 No. 1522546

**ROYAL INSURANCE COMPANY LIMITED.**

LEADING AGENTS AND BROKERS EVERYWHERE

It is important that the written portions of all policies covering the same property read exactly alike. If they do not they should be made uniform at once.

Courtesy N.Y. Central Lines

**T**RANSPORTATION, an indispensable service to the manufacturer and distributor, subjects merchandise to hazards around which certain protective measures must be thrown. The most dependable of these is insurance.

Policies bearing the Red Royal Shield are accepted as embodying all the requirements of absolute protection.

# ROYAL

## INSURANCE COMPANY LTD.

DEPARTMENTAL OFFICES:

NEW YORK  
William Mackintosh, Mgr.

ATLANTA, GA.  
Milton Dargan, Mgr.

BOSTON, MASS.  
Field & Cowles, Mgrs.

CHICAGO, ILL.  
Elwin W. Law, Mgr.

SAN FRANCISCO, CAL.  
H. R. Burke, Mgr.

# 50%

**T**HE business man who carries fire insurance alone is only getting 50% of the protection he should have. Profits, rent, high salaries and many other items should be safeguarded against the time when fire might bring his whole business to a standstill.

And an agent gets only 50% of the profits he should have when he sells fire policies and does not stress Use & Occupancy Insurance.

Agents of this company are one hundred per centers. They believe in complete protection. Use & Occupancy insurance is no mystery to them. They know every phase of it, have studied its every advantage. Whenever they sell or renew a fire policy they tell the complete, convincing story of Use & Occupancy. No alert business man neglects to take this important policy when it is properly explained to him.

After all our agents' unusual success with Use & Occupancy Insurance simply lies in knowing how to Tell Them in order to Sell Them.

## STAR Insurance Co. OF AMERICA

Executive Offices: 1 Pershing Square  
Park Ave. at 42nd St., New York, N. Y.

Western Department  
CHICAGO

Pacific Coast Department  
SAN FRANCISCO

THE COMPANY WITH THE L. & L. & G. SERVICE

### UNION CENTRAL HEAD HITS BANKER AGENT

#### VIEWS TREND UNFAVORABLY

**Big Life Company President Declares  
That the Practice Is of No  
Public Advantage**

President John D. Sage of the Union Central Life in addressing his agency convention gave his observations on banks acting as insurance agents. This is a subject of interest not only to life but to fire and casualty men. President Sage said:

"A cloud upon the horizon appears in the west, and that is the possibility of banks entering the life insurance business as agents. This sounds almost like a foreign invasion, because it is the Bank of Italy which seeks to enter this field. This enormous organization, with branches in every town of every size in California and with many branches elsewhere, proposes to act as the agent of life companies. If this effort is successful and other banks everywhere take it up, it might result in putting the majority of life men out of business. Would this be to the advantage of the public?"

#### Shows Unfairness of Move

"Shall we warn the public against it? We cannot oppose the move merely from selfish motives, and anything that we do might be construed as such. Would it be a real advantage to have banks act as agents? We insurance men think not. It would not be fair for the banks to make use of the confidential information which they have of the customers' accounts to solicit them for life insurance. Other than that the solicitation of life insurance has come to be looked upon as a real profession. More and more we are insisting that life insurance men shall be prepared to give their clients expert advice. Would this be the case if a bank appointed a clerk on a salary to solicit its customers for life insurance?"

#### Insurance Becomes Side Line

"The quality of solicitation would be lowered in most instances. Possibly in the larger banks and in the larger centers competent men would be employed to conduct the insurance department of the bank, but the chances are that it would be merely a side line and that it would not receive the attention which it deserves. Possibly the matter of keeping the business in force would be neglected with the bank as agent, as compared with the work that is done in the modern insurance office.

"Also what would be the effect on the companies? If the idea were carried to its logical conclusion, the few companies represented by the banks of a city or a town would get most of the business and a large number of deserving companies would have difficulty in competing with them.

"It is our duty to show the public that it is not to their interest to have movements of this kind gain headway."

#### Death of D. W. Patterson

David W. Patterson, senior member of the prominent Charleston, W. Va., agency firm of Paterson, Bell & Crane, and one of the veteran agents of the state, died Saturday in his 69th year. In addition to his insurance connection Mr. Patterson was president of the Kanawha Savings & Loan Association and a director of the Peoples Bank of Charleston.

#### E. T. Cairns at Head Office

SAN FRANCISCO, Jan. 25.—E. T. Cairns, vice-president of the Fireman's Fund in charge of the eastern department with headquarters in Boston, arrived in San Francisco early this week for a conference with home office officials.



The first petroleum well opened in Pennsylvania

**D**RILLING sixty-nine feet down! Then—oil struck! And so the first man-made well—back in 1859 at Oil Creek, Pennsylvania. Today, —light, heat, power, lubrication.

This commodity has a permanent and prominent role in the modern drama of progress, it has revolutionized industry and changed our mode of living.

These transitions of home and business are ever making new demands upon our social and economic structures. Responding to current needs, creating new forms of insurance as changes take place, the Home for three-quarters of a century has played a prominent role in keeping pace with the demands of business and home life.

## THE HOME INSURANCE COMPANY NEW YORK

—Seventy-fifth Anniversary Year—



**WARREN G. HARDING**  
March 4, 1921-March 3, 1923

**JOHN ADAMS**  
March 4, 1797-March 4, 1801

**CALVIN COOLIDGE**  
August 3, 1923-

**GEORGE WASHINGTON**  
April 30, 1789-March 4, 1797

**THOMAS JEFFERSON**  
March 4, 1803-March 4, 1809

**WILLIAM H. TAFT**  
March 4, 1909-March 4, 1913

**THEODORE ROOSEVELT**  
Sept. 16, 1901-March 4, 1909

**JAMES MADISON**  
March 4, 1809-March 4, 1817

**JAMES MONROE**  
March 4, 1817-March 4, 1825

**JOHN QUINCY ADAMS**  
March 4, 1825-March 4, 1829

**ANDREW JACKSON**  
March 4, 1829-March 4, 1837

**MARTIN VAN BUREN**  
March 4, 1837-March 4, 1841

**WM. H. HARRISON**  
March 4, 1841-March 4, 1845

**JOHN TYLER**  
April 4, 1845-March 4, 1849

**JAMES KNOX POLK**  
March 4, 1845-March 4, 1849

**FRANKLIN PIERCE**  
March 4, 1853-March 4, 1857

**ZACHARY TAYLOR**  
March 4, 1850-July 9, 1850

**MILLARD FILLMORE**  
July 16, 1850-March 4, 1852

**ABRAHAM LINCOLN**  
March 4, 1861-April 15, 1865

**JAMES BUCHANAN**  
March 4, 1857-March 4, 1861

**ANDREW JOHNSON**  
April 15, 1865-March 4, 1869

**ULYSSES S. GRANT**  
March 4, 1869-March 4, 1877

**RUTHERFORD B. HAYES**  
March 4, 1877-March 4, 1881

**CHESTER A. ARTHUR**  
Sept. 20, 1881-March 4, 1885

**BENJAMIN HARRISON**  
March 4, 1889-March 4, 1893

**GROVER CLEVELAND**  
March 4, 1893-March 4, 1897  
March 4, 1897-March 4, 1901

**WILLIAM MCKINLEY**  
March 4, 1897-Sept. 14, 1901

## 1799-1928

# Down the Roll Call of the PRESIDENTS

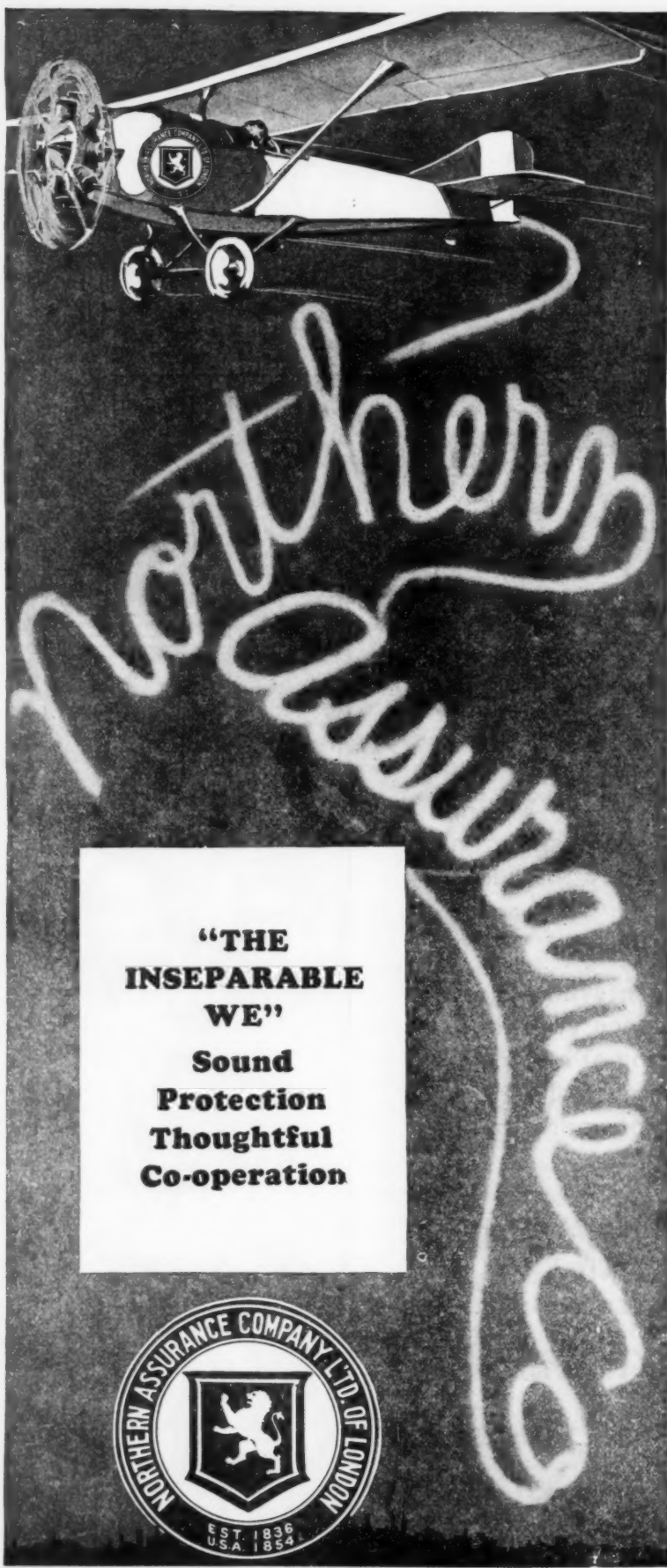
Since 1799 when Washington was spending his last days at Mount Vernon the Providence Washington has been present at every Presidential roll call.

Down the line of twenty-nine chief executives the Providence Washington has come answering at every roll call with a spotless record of obligations, equitably and promptly met.

**PROVIDENCE WASHINGTON INSURANCE COMPANY**  
PROVIDENCE, RHODE ISLAND


*"It Spans Three Centuries"*





**"THE  
INSEPARABLE  
WE"**

**Sound  
Protection  
Thoughtful  
Co-operation**



**NORTHERN**  
ASSURANCE COMPANY LIMITED  
OF LONDON  
80 JOHN STREET, NEW YORK

## CONTRADICTS BULLETIN SENT OUT BY COMMITTEE

### BAKER RULES ON TAX CREDIT

**Kansas Superintendent Says Tornado  
Premiums Refunded Cannot Be De-  
ducted in Annual Statement**

Commissioner Baker of Kansas has sent out a ruling to the fire companies contradicting the bulletin of the Subscribers Actuarial Committee in regard to premium taxes on that part of the tornado premiums in the state which has been returned to policyholders under the rate reduction order. The companies accepted the ruling of the lower court in regard to the tornado rate reduction and have issued checks to the policyholders or made refunds in other ways. Under date of Dec. 30, 1927, the Subscribers Actuarial Committee bulletined the companies that it was proper to consider tornado premiums which were impounded in the Kansas rate case as return premiums in preparing the companies' annual statements for 1927.

#### Not Returned "On Cancellations"

Superintendent Baker gives warning that the report blank does not contain any clause against which such a deduction could be listed and declares it is not permissible to list or include any such deduction in any way in such statement. Mr. Baker's ruling is based on a ruling received from the attorney-general. The ground apparently is a technical construction of the Kansas law defining net premiums. The statute permits the deduction from gross premiums of all premiums received for reinsurance and "net premiums returned on account of cancellations."

Of course the impounded tornado premiums were not returned "on account of cancellations." However, companies invariably deduct as return premiums those premiums that are returned in the ordinary course of business following a reduction in rate on any specific risk.

#### May Involve \$200,000

The amount of tax involved on the tornado premiums is only about \$3,000 for all companies, but will amount to \$200,000 on fire insurance premiums if the Kansas rate case goes against the companies.

In the beginning of the controversy Commissioner Baker tried to induce the companies to pay under protest as regards the tax on the impounded portion of the fire and tornado premiums. To pay under protest would have been to assert that the premiums in dispute were not properly collected and the companies refused to take that attitude.

#### Go On General Agency Basis

Companies operating on a general agency basis find that there is more activity in these offices of late. This is due in part to the fact that some of the subsidiaries in the big fire insurance fleets are operating through general agencies, thus feeling they have a better opportunity for getting representation than if they attempted to do business direct. In looking over the list of companies represented by general agents, auxiliary companies of fleets are now frequently found.

#### Omaha Board Elects

OMAHA, Jan. 25.—Joe Friedel of the Harry Koch agency was elected president of the Omaha Association of Insurance Agents at the annual meeting Tuesday. He succeeded E. R. Heflin of the Martin Brothers Company. Other officers elected were Frank J. Haskell of the Love-Haskell Company, vice-president, and Joe Greenberg of the H. A. Wolf Company, treasurer. Messrs. Heflin and Haskell were elected to two year terms on the board of directors.

The past year was a successful and prosperous year for the association, according to Mr. Heflin.



A friend of mine who keeps a store has customers he claims galore. But suddenly a fire came and wrecked his store with angry flame. His Fire Insurance Policy saved him from loss financially on all his stock and fixtures, too. But for a time he could not do a single thing. He had no store. He said, 'twould take a month or more to put his place in good repair. But even so he did not care. "My U. & O. Insurance will," he said, "assure my income still." Now stores like this are in your town, and fact'ries, too. Just look aroun', a warehouse you may also see. The occupants of property of this sort all would like to know about the safety U. & O. Insurance gives them—tell them now. Explain to them the why and how. You'll find not only does it pay in premiums but some sweet day, these clients will want larger lines. And you will be first in their minds.

*\*Use and Occupancy or Business Interruption Insurance—essential to the safe conduct of any business enterprise*

*The*  
**New Brunswick**  
FIRE INSURANCE COMPANY  
59 Maiden Lane  
New York, N. Y.



# CORROON & REYNOLDS, Inc.

## MANAGER

92 WILLIAM STREET  
NEW YORK CITY, N. Y.

### AMERICAN EQUITABLE ASSURANCE CO., OF NEW YORK

September 30, 1927, Statement

ASSETS	CAPITAL	SURPLUS TO POLICYHOLDERS
\$5,787,937.10	\$700,000.00	\$2,232,166.17

### KNICKERBOCKER INSURANCE CO., OF NEW YORK

September 30, 1927, Statement

\$3,386,804.25	\$500,000.00	\$1,367,827.53
----------------	--------------	----------------

### BROOKLYN FIRE INSURANCE CO.

November 16, 1927, Statement

\$2,400,000.00	\$600,000.00	\$2,400,000.00
----------------	--------------	----------------

### MERCHANTS AND MANUFACTURERS FIRE INSURANCE CO.

(CHARTERED 1849)

December 21, 1927, Statement

\$2,484,961.27	\$500,000.00	\$2,476,220.27
----------------	--------------	----------------

### NEW YORK FIRE INSURANCE CO.

(INCORPORATED 1832)

September 30, 1927, Statement

\$1,117,819.68	\$200,000.00	\$662,353.72
----------------	--------------	--------------

### REPUBLIC FIRE INSURANCE CO.

PITTSBURGH, PA.

(ORGANIZED 1871)

Oct. 31, 1927, Statement

\$1,599,538.80	\$300,000.00	\$746,952.74
----------------	--------------	--------------

MANAGER FOR EASTERN AND MIDDLE-WESTERN STATES

### TRINITY FIRE INSURANCE CO. OF DALLAS, TEXAS

April 30, 1927, Statement

\$1,361,356.29	\$650,000.00	\$1,255,345.98
----------------	--------------	----------------

### CLASSES WRITTEN

Fire, Explosion, Riot, Civil Commotion, Tornado and Windstorm, Sprinkler Leakage,  
Use and Occupancy, Profits, Leasehold and General Merchandise Floaters

# SOUND — PROGRESSIVE — EQUITABLE

*These Are Our Keynotes*

We welcome and invite this class of agency representation.





### COVERAGES EFFECTED

FIRE,  
AUTOMOBILE,  
TORNADO,  
RENTS,  
LEASEHOLD,  
EXPLOSION,  
RIOT and CIVIL  
COMMOTION,  
PROFITS AND  
COMMISSION,  
USE & OCCUPANCY

**AUTOMOBILE  
FULL  
COVERAGE**

Old and New — You find them linked together in The PATRIOTIC.

To American agents who like the new, we call attention to our modern, progressive organization incorporated in New York October, 1922, and commencing business January 2, 1923. Prior to these dates, however, there had been operating in the United States for some time, the Patriotic Assurance Company of Ireland, of which The Patriotic Insurance Company of America is the successor. In the PATRIOTIC, you will find the friendly human touch so characteristic of America.

To those who value the prestige and backing of age, the PATRIOTIC is of peculiar interest. It is an American company closely associated with that oldest company of all insurance companies, The Sun of London. Every PATRIOTIC agent knows that

*"Back of The Patriotic is The Sun."*

# PATRIOTIC INSURANCE COMPANY of AMERICA

HEAD OFFICE  
55 FIFTH AVENUE, NEW YORK

OSWALD TREGASKIS, President

WESTERN DEPARTMENT  
WRIGLEY BLDG., CHICAGO  
JOHN F. STAFFORD, Manager

PACIFIC DEPARTMENT  
SAN FRANCISCO  
C. A. HENRY, General Manager

### IDENTIFICATION FORM READY FOR DISTRIBUTION

USE LIMITED TO MEMBERS

National Association's Standard Automobile Certificate for Tourist Policyholders Is Now Ready

NEW YORK, Jan. 25.—The National Association of Insurance Agents is now ready to provide the standard automobile identification certificates to be issued to assureds. The purpose of these certificates is to assist in providing assureds with a valuable service that will instill in their minds further confidence in the local agent.

The engraved certificate shows the name of the assured and the kind of insurance he carries on his car. It requests any member of the association in any other city on whom the assured may call to render any assistance that may be necessary.

#### Possibilities Great

The possibilities for members of the National association who use this certificate are limited only by the use they make of it. One important feature is that the certificates will not be available to non-members. Therefore the ability to provide his assureds with this valuable aid places an additional stamp of reliability and dependability upon the agent who is a member of the association.

Much time, effort and thought were given to the preparation of this certificate. Following are the prices: \$1.50 per 100, \$14 per 1,000, \$65 per 5,000.

The reverse side of the certificate provides a rectangular space in which the agent may have printed the name and address of his agency.

A number of advance orders for these certificates have been received. Indications are that the association will be kept busy supplying these and other orders which will come in following the announcement of the standard automobile identification certificates.

### Saginaw Agent Answers Bank Agency Defender

ROY W. PHOENIX, local agent at Saginaw, Mich., has taken exception to the letter of R. E. Throckmorton, which was published last week in THE NATIONAL UNDERWRITER defending bank agencies. In a letter to Mr. Throckmorton, Mr. Phoenix says:

"I have read with interest your letter published in THE NATIONAL UNDERWRITER and in reply to your last question, would advise that I would be in favor of not taking your money for membership in the National association.

"One of your reasons for a bank being in the insurance business should have been that there are not enough profits in the banking business, and it is necessary to side line in some other business. Or I might state if all the banks engaged in the insurance business, it would make a lot more side liners out of the regular insurance agencies and put a certain number out of business. Taking the average I fail to see how a local agency is as highly profitable as the banking business and there are enough whole time deserving local agents in any community who are making a life time business of the insurance business, who need these premiums that legitimately belong to them. Please forget about all these other part timers that you mention. They are as bad as you in the minds of good hard-working local agents who are making a serious study and devoting all their efforts to the insurance business. Are the profits so large from an insurance agency for the time and efforts involved compared with some other business, that it is necessary for the banking business to hog part of the profits?

### WHITE RETIRES FROM THE GREAT AMERICAN

TO LEAVE VICE-PRESIDENCY

Official of Big New York Company Finds Personal Affairs Require the Move

NEW YORK, Jan. 25.—Jesse E. White, vice-president of the Great American and of its affiliated companies, has resigned as of April 1; this action, Mr. White states, he has contemplated for some time, his personal affairs demanding more attention than could be given them so long as his corporate connections were retained. Mr. White is recognized as an unusually able underwriter and general regret will be felt at his withdrawal from the business, especially at this time, when so many important problems confront executives, the solution of which calls for counsel of the very highest order. A native of Texas, Mr. White began his insurance career with the general agency of the British America in that state. Subsequently he transferred to the Trezevant & Cochran general agency of Dallas.

#### Called to Home Office

Still later he associated with the Texas state agency of the Hartford. When the latter department was consolidated with that at Atlanta, Mr. White joined the staff of the Great American, becoming its Texas state agent in 1909. Here his work was of such character as to induce his being called to the home office of the company as its assistant secretary three years later. In turn, he was advanced to the secretaryship and in 1915 was elected vice-president, a post he has since retained, filling it with conspicuous ability. Mr. White is a member of a number of important committees of the National Board and of other leading governing bodies, and could always be counted upon to bear a little more than its proper share of all work undertaken.

I do not think so nor do hundreds of other good conscientious agents.

"When Henry Ford went into the grocery business in Detroit, the grocerymen of that city objected so strongly that he quit. There is no more reason for a bank to go into the insurance business than it is to conduct some other kind of business under their name, which if they did would receive the same protests from others engaged in that same line of business. If you do not watch the expirations and endeavor to influence business, how are we to know that all banks would do the same if it became a general practice for banks to engage in the insurance business."

#### Western Adjustment at Quincy

The Western Adjustment is opening a new branch at Quincy, Ill., this being the 46th branch office. J. F. Springer is appointed manager and G. G. Gillespie, adjuster. The office is located in the W. C. U. building and will be open for business Feb. 1. Mr. Springer has been connected with the Western Adjustment since 1919, serving at Omaha, and for the last four and one-half years at Minneapolis. Mr. Gillespie has been attached to the St. Louis office recently and has also seen service at Madison, Wis., and St. Paul. This office will serve the companies in counties in Illinois, Iowa and Missouri inaccessible from the St. Louis, Des Moines and Peoria offices.

#### Pacific Coast Loss Ratio

Reports from the Pacific Coast indicate that the loss ratio of the fire companies operating in the territory last year, will range from 45 to 50 percent.





Established 1782

*A Corporation which has stood  
the test of time! 146 years of  
successful business operation.*

*World-wide interests.*

*Absolute security.*

*Excellent Service and Facilities*

**PHOENIX**  
**ASSURANCE COMPANY, Ltd.**  
**of LONDON**

150 WILLIAM STREET

NEW YORK

**PHOENIX**  
**INDEMNITY COMPANY**  
150 WILLIAM STREET

NEW YORK

## Guessing is Popular —but is it worthwhile?

We guess we can beat the train—guess we can afford a car—guess we can get married—guess we are making money—or have enough insurance.

Undoubtedly guessing is rather popular but when it comes to protection the practice is very likely to end in disaster.

There is no need to guess (or take his estimate) the insurable value of your client's plant or property. Lloyd-Thomas appraisals\* make possible your knowing exactly.

**“WHAT IS AN APPRAISAL?”**—It is a complete classified inventory of insurable property (except stock, merchandise and raw materials). Each item of property is valued at today's cost to replace now. The amount of accrued depreciation is determined and the sound insurable value is given.

**“ITS ADVANTAGES”—1st**—It discovers insurable values that have long been written off the books through unscientific depreciation. **2nd**—It gives the agent, the assured, and the companies value facts of property. **3rd**—It makes for adequate insurance protection, for in nearly every instance it calls for additional insurance.

### The Lloyd-Thomas Co.

RECOGNIZED AUTHORITIES ON PHYSICAL VALUES.



4411 Ravenswood Ave., Chicago  
120 Broadway, New York

Cincinnati  
St. Louis  
Denver  
Washington

Cleveland  
Milwaukee  
Toronto  
Los Angeles

Detroit  
Pittsburgh  
Minneapolis  
Atlanta

Indianapolis  
Memphis  
Kansas City  
Des Moines

## NEW YORK UNDERWRITERS INSURANCE COMPANY

CAPITAL \$2,000,000

A. & J. H. STODDART, General Agents

100 William Street - - - New York City

FIRE - AUTOMOBILE - WINDSTORM  
BUSINESS INTERRUPTION INDEMNITY

## STRONGEST INSURANCE STOCK MARKET IN FINANCIAL HISTORY

BY R. C. RICE

Of J. K. Rice, Jr., & Co., Brokers, New York City

**S**TRENGTH in insurance stocks was one of the outstanding features of the over the counter market during the past year. Many of the leading stocks doubled in market value during 1927, and stock of practically all sound companies advanced to higher levels. One of the chief causes for this advance lay in a belated recognition on the part of the investing public of the attractiveness of insurance stocks as long pull investments. The remarkable profits which have accrued in past years proved an incentive for buying. Another cause of the increased demand was the encouragement given by the leading companies to their agents to own stock in the companies they represent. The home office in several instances made offers of its stock to the men in the field.

### Capital Increases Made

Capital increases featured the past year. These increases were made in some cases by stock dividends and in others by subscription rights. Among the companies which changed capital were: the New Brunswick, Firemen's, National Liberty, Hanover, and Great American. The tendency of several leaders in the insurance business to reduce the par value of their stock aided materially in stimulating demand for these securities. The par value of Great American and Hanover stock were both reduced to \$10 and the stockholders received several shares of the new stock for each one of the old. This tendency should be even more pronounced in the future and some of the conservative companies that have maintained the \$100 par value will reduce this to a lower figure enabling a greater portion of the investing public to own stock.

### 1927 Excellent Year

Fire insurance companies in 1927 experienced an unusually good year. The loss from fire was smaller than usual, and improved methods of adjusting losses aided a greater number of these companies to show underwriting profits than ever before. A recent bill passed by the House of Representatives provides that awards made by the Mixed Claims Commission to several of the larger companies be legalized. This bill awaits the action of the Senate and in the event that it is passed and signed by the President, several companies will

receive large disbursements from the government. Strength in the general stock market during 1927 was unquestionably reflected in very much higher prices for the securities held in the insurance company portfolio. For the better managed organizations investment profits in 1927 should be unusually large.

### Outlook Favorable

The factors determining the profits of insurance companies points to a continuance of the favorable trend discussed above. It seems reasonable to assume that a consistently greater number of companies will be able to show underwriting profits during the new year. When the Boston wrote the first automobile policy several years ago officials had little idea of the tremendous premiums which they would collect from this form of insurance. At the present time the airplane industry is in its infancy. As the use of airplanes is developed on a commercial basis, the companies will unquestionably receive large premiums from this industry which involves such great hazards.

It has been estimated that the country is about 50 percent insured, indicating a great field for future expansion. As more and more risks become policyholders the companies will develop accordingly.

### Insurance Stock Profits

Insurance stocks in the past have proven highly profitable investments. Stock dividends, valuable subscription rights, increasing cash dividends and attractive market appreciation have made many of these securities worth while investments. Within the past year the profits from any leading stocks have been truly remarkable. The table below indicates some of the advances.

	Jan. 4, 1927	Jan. 2, 1928
	Bid	Asked
American Alliance	300	305 550
Camden Fire	14	15 30
Carolina	33	36 82 84
*Continental	137	140 190 200
Fidelity-Phenix	93	98 195 200
Franklin Fire	190	195 400 425
Globe & Rutgers	1475	1525 2500 2800
Home	376	380 835 845
Hanover	204	210 410 420
Niagara	240	248 440 450
North River	112	115 250 260
U. S. Fire	165	170 350 365
Westchester	45	46 87 90

\*Ex. 50 percent stock dividend.  
†A capital increase from \$1,500,000 to \$2,000,000 by subscription at \$50.

### MILWAUKEE MECHANICS NAMES NEW OFFICIALS

MILWAUKEE, Jan. 25.—Directors of the Milwaukee Mechanics meeting at the home office here Tuesday elected two new officers of the company and the stockholders elected two new directors to succeed those who have died this year.

William H. Marshall who was elected a director and member of the executive committee at the annual meeting last year, was elected a vice-president of the company Tuesday. Ernest G. Ebert, who has been assistant treasurer, was elected treasurer and will relieve President Charles H. Yunker of the duties of that office.

George P. Miller, attorney with the firm of Miller, Mack & Fairchild, Milwaukee, was elected a director to succeed the late Dr. Joseph Schneider and F. Gordon McGeoch, with the R. M. Williams Co. bond house at Milwaukee, succeeds the late Charles F. Pfister, Milwaukee capitalist.

All vice-presidents of the Milwaukee Mechanics will be so designated in the future, instead of first and second vice-presidents, as G. W. Grossenbach and Robe Bird have been named respectively.

Mr. Marshall has been assistant cashier in the bond department with the Marshall & Ilsley bank of Milwaukee for the past two years. He will assume his new duties with the Milwaukee Mechanics Feb. 1.

### Much Interest in Occidental

SAN FRANCISCO, Jan. 25.—While nothing official has been issued by the head office of the Fireman's Fund regarding the progress of the Occidental, the "atmosphere" is that it is meeting with success beyond all expectations. Although the new stock has not been issued, and there is a question just how it will be, in view of the fact that it is now entirely held by the two parent companies and subscriptions are being received from all parts of the country, it appeared for the first time on the San Francisco Curb Exchange last week and was quoted at 36 3/4, 6 3/4 above the selling price. This is taken to mean that the public in San Francisco is becoming more interested in insurance stocks to the same degree as in other parts of the country and also in the standing of the Fireman's Fund and the Home F. & M. in their own com-



## BOSTON AND OLD COLONY BEGIN NEW AD SERIES

### FEATURE COMPANY MAGAZINE

Ray C. Dreher Illustrates and Writes  
Text for Distinctive Insurance  
Paper Advertising

As a result of the success with which the Boston and Old Colony conducted their last year's series of full page display advertisements in the insurance journals they will continue it this year with a new series, the details of which are shown by the advance proofs to be notably strong and unique.

These advertisements will again emphasize by text and illustration the companies' well known and highly successful monthly magazine, "The Accelerator."

For several years the Boston and Old Colony have demonstrated that local agents, having the calibre to be successful representatives of these particular companies, are keenly interested in the numerous and exclusive forms of assistance to them in increasing their local business that can be supplied from headquarters.

#### Aids Local Agents

The purpose of "The Accelerator" is to place into the hands of local agents valuable sales helps, agency advertising tips, citations of other agents' success in using the suggestions, constructive criticism and practical information about the various fire, automobile, marine and other lines.

In the 1928 series of advertisements the illustrations are handled in the ultra modern semi-silhouette style. They are bold and distinctive in design, with the figures done somewhat symbolically. The typography is strong and impressive, and has been selected to harmonize in physical makeup with the illustrations. The drawings and surrounding typography follow somewhat the type now current in leading popular magazines, but is wholly new to insurance advertising.

The construction of the advertisements is entirely the work of the companies' own advertising department, the illustrations and feature text being the products of Advertising Manager Ray C. Dreher, who was for some time a successful local agent and therefore has an intimate knowledge of that branch of the business.

#### Priest Has New Daughter

Frank T. Priest, of Dulaney Johnston, Yankey & Priest, prominent local agency at Wichita, Kan., member of the executive committee of the National Association of Insurance Agents and one of the celebrated "Four Horsemen" of the

## AVERAGE LOSS IN UNSPRINKLERED RISKS IS OVER SIX TIMES GREATER

**S**PRINKLER protection does not prevent the start of fires. They are inevitable, and happen when least expected. But it does hold them in check because "when the fire starts, the water starts, and the fire goes out." A glance at the latest annual statement of the Underwriters Bureau of New England is sufficient to show what a difference there is between being "sprinklered" and "non-sprinklered." Of 793 fires last year within the Bureau's jurisdiction, the average loss per fire in unsprinklered risks usually not so large nor valuable as sprinklered risks was \$23,820; in sprinklered risks, which were more numerous, the average loss per fire was only \$3,831.

#### Good Talking Point

This makes the odds over six to one in favor of the business man who has been smart enough to sprinkler his building. Insurance companies recognize this, as proved by the fact that the insurance rate is reduced from 50 to 90 percent as soon as automatic sprinklers are installed. This is a big talking point for the local agent; more and better, he can tell his clients and prospects that there are reputable sprinkler manufacturers and finance companies which will install an automatic system and take their compensation out of the insurance premiums saved the owner during the first five or six years.

Shortsighted and selfish, there are some agents who hesitate to go to the best risks on their books with a plan that will reduce the rate from \$1.96, say to 29 cents. Quite obviously there will be a considerable reduction in the commission account, but more progressive agents throughout the country say the reduction in their incomes continues for only a short while, and the assured appreciates so much his increased protection at decreased cost that he turns over to the progressive agent most of his other lines.

#### Apt to Lose Business

On the other hand, agents who are slow about showing the client that they place his interests ahead of their own

are apt to lose the business to some more progressive competitor.

"The hail-fellow-well-met" type of insurance agent, a property owner told a gathering of local agents some time ago, "is finding it increasingly difficult to get and hold accounts by reason of his ability to order a good dinner, tell a good story, or play a good game of golf. Business is business with successful firms and corporations; and more and more they are entrusting their insurance interests to the agent who rests his case on his knowledge of the business—his ability to analyze his customers' requirements; and supply them with coverage that exactly fits."

#### Service Is Keynote

"Service before and after the order is placed is the keynote of successful and constructive selling, and I can think of no business in which there are greater opportunities to serve than in the fire insurance field. I may be wrong, but it has seemed to me that those agents who consider they are selling protection against loss, and not simply policies of insurance, are the outstanding successes. I need not attempt to enumerate the things an agency can do to prove its watchfulness of the assured's best interests. You know more about most of them than I do, but certainly no agent is measuring up to his opportunities and responsibilities who lets his clients remain unfamiliar with the advantages of automatic sprinkler protection."

#### Companies Finance System

If the assured is reluctant to withdraw cash from his business to pay for the sprinkler system, the agent will find no difficulty in putting him in touch with companies who will pay for the installation of sprinklers under a plan whereby the savings in insurance premiums will finance the cost of the system (in nearly every case) within five or six years. After that the assured can keep in his own pocket each year the insurance savings effected by reason of his having placed his business under the protection of the best known guardian against fire.

Kansas association has had a new member added to his household in the person of Elizabeth Dimond Priest, who arrived on the scene Jan. 19.

#### All-Risk Floater Business

London Lloyds is not cutting the figure it once did in writing all-risk or personal effects floater. The standard companies are now taking this business with avidity and have pretty well cor-

nered the market. This is pretty much a large city business. Companies in writing the all-risk or personal effects floater rely very much on the agent. The agent who is dealing with a good class of people is able to make a selection of good risks. A company issuing such policies practically relies on the integrity of the assured. There is an opportunity for imposition if an assured is inclined to be dishonest.

## WASHINGTON AGENTS' COMMISSIONS FIXED

SCALE IS 15, 20, 25 PERCENT

General Agencies Will Have to Perform  
Functions of Such Offices Under  
New Regulations

**NEW YORK, Jan. 25.**—Under the agreement reached at the conference of representatives of the eastern advisory committee, the Pacific Board and the Washington general agents held in this city recently, which is to become effective about Feb. 1, local agents will receive the regulation commission scale of 15, 20 and 25 percent, with brokerage 5 percent less.

To secure general agency appointments the service usual to a general agency must be performed in good faith. The former practice of obtaining a general agency connection merely as a pretext for getting an excess commission on local business will be tolerated no longer.

The agreement is applicable to automobile, fire and theft, as well as straight fire business. It is anticipated that the plan agreed on will put an end to the demoralization that has existed in the state of Washington for some time past and which resulted in a conflict between Commissioner Fishback of that state and the Pacific Board. A truce between the two interests was arranged, during which time the company executives in conjunction with their representative on the west coast arranged for the gathering in this city, the outcome of which, it is generally felt, will satisfactorily dispose of all points at issue.

Commissions to be paid in Washington on fire and theft automobile business will continue to be those adopted for the Pacific coast by the National Automobile Underwriters Conference in 1926, 25 percent to local agents, with 10 percent overriding to supervising general agents, the total to the latter, however, not to exceed 30 percent.

#### Exchange Men Named

**SAN FRANCISCO, Jan. 25.**—Julian D. Harries, auditor accident and liability department of Aetna Life affiliated companies for the past 18 years, was appointed secretary of the Insurance Brokers Exchange of San Francisco. William Nankervis, well known insurance accountant, was named examiner for the exchange at a meeting of the board of governors held on Tuesday.

#### Seattle Exchange Elects

**SEATTLE, WASH., Jan. 25.**—With more than two hundred members present, the annual meeting of the Insurance Exchange of Seattle was held last week. The new officers are: Arthur Morgenstern, president; K. Morford, vice-president; Walter Robinson, George Newell, Charles Ballard, E. Bowden, and John Cort, trustees. George Newell, retiring president, gave a report of the year's activities. The exchange added 56 new members through a drive recently conducted.

#### Plea for Better Public Relations

**SAN FRANCISCO, Jan. 25.**—Speaking to the insurance class of the San Francisco Y. M. C. A., C. D. Babcock, advertising manager of the Fireman's Fund, made an effective plea in behalf of the development of better relations between those in the insurance business and the general public, basing his remarks upon the recent decision of the United States Supreme Court in the Missouri case.

#### Spokane Board Elects

At the recent meeting of the Spokane, Wash., local agents' association, the following were elected: Fred K. Jones, president; O. N. Anderson, vice-president; T. J. Meenach, secretary and treasurer; W. L. Berry, Bruce M. Hay and Bryan C. Kenney, trustees.

## FIGURES FROM DECEMBER 31, 1927 STATEMENTS FIRE COMPANIES

STOCK COMPANIES									
	Assets	Gain in Assets	Reins. Res.	Gain in Reins. Reserve	Surplus	Gain in Surplus	Net Pmts.	Losses Paid	Loss Ratio Percent
American Auto., Mo.	\$10,275,232	\$1,169,893	\$3,656,191	\$322,797	\$2,260,937	\$735,536	\$7,279,755	\$3,400,517	46.7
American Auto. Fire	600,613	613			400,613	613			
Columbia Fire	1,874,350	168,293	435,452	56,442	871,968	92,501	401,595	186,320	46.
Industrial Fire, O.	1,345,456	9,469	468,414	88,981	245,303	98,215	612,980	292,122	47.6
Maryland	2,410,955	1,217,270	284,262	10,710	1,285,943	922,249	578,141	257,651	44.5
Rocky Mountain, Mont.	688,619	36,295	87,556	17,583	300,692	21,233	72,432	16,537	22.83
St. Paul F. & M.	29,731,184	2,556,467			10,837,076	2,019,801	15,569,593		
Seaboard Fire	351,665	15,330	52,441	—1,347	90,672	17,544	45,933	8,274	18.
United Auto.	209,233	5,520			2,631,407		135,569	56,445	41.
MUTUALS									
	Cash Assets	Total Assets	Unearned Pmts.	Cash Surplus	Total Surplus	Pmts.	Losses Paid	Total Income	Total Disburs.
Badger Mut., Wis.	\$459,905	\$505,394	\$124,108	\$229,860	\$353,969	\$149,297	\$31,944	\$181,358	\$123,745
Economy Auto., Ill.	207,953	207,953	53,723	134,102		202,648	63,852	211,947	184,225
Hope Mut., R. I.	1,756,539	8,733,816	746,606	980,444	7,957,721	821,722	48,844	891,888	807,200
National F., Mo.	86,324	135,313	24,748	82,523	106,764	58,038	13,911	58,531	61,685
National Ind., Mo.	270,530	273,135	40,653		152,147	304,024	98,204	314,312	217,076
Retail Merch., Ill.	64,313	344,201	71,120	21,458	265,325	125,971	31,180	130,098	121,181
Security, Minn.	190,773	593,575	60,859	98,201	501,003	171,732	73,437	179,247	176,250
Suburban Auto., Ill.	148,166	167,932	35,925		116,314	170,515	41,092	176,464	128,463
Texas State Mut.	250,004		176,363	61,162		180,353	105,295	192,281	187,630
Town Dwell. Hse.	552,075	572,968		566,068		201,863	115,526	227,561	300,506
What Cheer, R. I.	1,863,733	9,025,779	767,187	1,066,895	8,228,941	851,854	49,970	925,922	839,611
									207,728,820

# READ This National Underwriter Article THEN ACT



## Schlesco-Shure

MANUFACTURING COMPANY

DES MOINES IOWA

### THE GLOVER SALES CO.

KANSAS CITY, MO.

Exclusive Distributors of Schlesco-Shure Products to Dry Cleaners

**SCHLESKO-SHURE**  
UNITS are listed as  
standard by Underwriters  
Laboratories.  
Approved by N. Y. In-  
dustrial Code Commission.  
Approved and recom-  
mended by prominent in-  
surance and fire officials.  
Designed to comply with  
all State and City Fire  
Regulations.

Schlesco-Shure Mfg. Co.,  
Des Moines, Iowa.  
I am interested in Schlesco-Shure. Send  
me complete information on how the units  
work and how dry cleaning establishments  
may secure them.  
Name.....  
Address.....  
City.....State.....  
Position.....  
N.U. 1-28-28

Schlesco-Shure products  
are distributed to Dry  
Cleaners exclusively  
through the Glover Sales  
Co. of Kansas City, whose  
sales and service engineers  
are at the command of  
present and prospective  
Schlesco-Shure users.

## CHANGES IN THE FIELD

### GOES TO NORTHWEST STATES

**Paul V. Chivington Connects with the  
Fred S. James & Co. Companies  
with Headquarters in Minneapolis**

The Fred S. James & Co. companies have appointed Paul V. Chivington as special agent for the northwest states with headquarters at Minneapolis. Mr. Chivington has served the Westchester for seven years. He recently resigned after four years' service as state agent in Indiana. He was in the Ohio field for the Westchester for three years. Before going with that company he had charge of the improved risk department of the Fireman's Fund in its western office. He succeeds Horace C. Weigley, who resigns to become associated with the Insurance Service Agency at Fargo. Raymond Lawrence, who was formerly North Dakota and South Dakota state agent of the Westchester, started this local agency a couple of years ago. It will now branch out in the general agency field covering North Dakota.

### W. G. Williamson

W. L. Nelson & Co. at Memphis have recently appointed W. G. Williamson special agent to represent them in Arkansas with headquarters at Little Rock.

Mr. Williamson is a nephew of W. P. Nelson, having been in his employ more than 10 years, starting as office boy and serving in various capacities from this position to that of daily report examiner. For the past year he has been manager of the automobile department. His experience in both fire and automobile underwriting departments has well qualified him for special agency duties.

### G. R. Livingston

G. R. Livingston has been appointed Michigan state agent of the Aetna and World Fire & Marine to succeed C. L. Allen, who has been transferred to home office territory. Mr. Livingston has been special agent and has given a good account of himself. Before going with the Aetna he was employed by the Michigan Inspection Bureau. He is a nephew of Insurance Commissioner C. D. Livingston of Michigan.

### Firemen's Fleet Iowa Changes

Harry A. Houghton of Boone, Ia., has been made Iowa state agent for the Mechanics. Mr. Houghton is also state agent for the Firemen's and Girard.

Roy Stone of Des Moines becomes state agent in Iowa for the National

Ben Franklin and the Capital of Concord. He will retain his title as state agent also for the Concordia and the Superior, which he has held for the past four years.

E. A. Ingalls of Chicago, superintendent of the automobile department of the Firemen's group, spent last week in Iowa with Messrs. Stone and Houghton.

### J. Paul Youmans

J. Paul Youmans has been appointed special agent of E. K. Schultz & Co., general agents of the Ohio Farmers at Philadelphia. He is traveling in eastern Pennsylvania, eastern Maryland and New Jersey.

### S. W. Ross

S. W. Ross, formerly automobile special agent of the Aetna and the World Fire & Marine, has been appointed state agent for those companies in central New York. He succeeds Burton R. Gracey, who has resigned to enter the firm of Bowen, Perry & Fobes, Aetna agents at Syracuse.

Mr. Ross is well known in insurance circles, having served for a number of years in the home office of the Aetna at Hartford. During the war he served with the navy, and following his discharge was appointed to his recent position of automobile special agent for the Aetna and World in central and western New York. His latest appointment indicates the company's recognition of the good work he has done in this field.

The automobile business of the Aetna in western New York will hereafter be supervised by Robert K. Garvie, state agent for that territory, assisted by Special Agent J. K. L. Marvin with headquarters at Rochester.

### C. A. Baldwin

C. A. Baldwin has been made executive special agent of the National Guaranty Fire for Pennsylvania, Maryland, District of Columbia and part of New Jersey. His headquarters will be at Newark. Mr. Baldwin formerly was special agent of the Firemen's in the New York suburban territory. In his new connection he also represents the Independence Bonding, which is owned by the National Guaranty interests.

### Walter A. Cox

Walter A. Cox, who has been traveling eastern Kansas for the Central States Fire of Wichita, has had Missouri added to his territory taking over the field formerly covered by Clem Green, who has resigned. Mr. Cox will soon move to Kansas City, Mo., where he will have headquarters.

## VIEWED FROM NEW YORK

By GEORGE A. WATSON

### FIREMEN'S DIRECTORS INCREASED

The Firemen's of Newark has increased its directors by three members: Wells T. Bassett, vice-president; Fred Vogel, Jr., of Milwaukee, president of the Pfister & Vogel Leather Company of that city, who is also a director of the First National Bank of Milwaukee, First Wisconsin Trust Company and Allis-Chalmers Manufacturing Company, and Fred T. Goll of Milwaukee, president of the Frank & Goll Dry Goods Company, who is also a member of the board of the First Wisconsin National Bank and the First Wisconsin Trust Company.

\*\*\*

### POSTPONES EFFECTIVE DATES

The effective dates of the excepted territory commission agreements have been postponed by the Eastern Underwriters Association at a recent meeting in New York. This action was done in

order to give the agents in these territories an opportunity to adjust local board rules, contracts with solicitors, etc., to fit the new commissions. Following the meeting Manager Sumner Rhoades made the following statement regarding the change:

"Subsequent developments indicated that the changes in the commissions thus established were calculated to work undeserved hardship upon local agents in those communities, inasmuch as under the conditions cited the agents could not change local brokerage rules or make new arrangements with solicitors nor avoid a loss upon the business of the first part of the year. Furthermore, in the absence of definite limitation of commissions allowable to non-policy-writing agents, the situation in many portions of the territory affected, especially in New Jersey, were such that it was impossible for the several territorial



committees to arrange with the various local organizations for rules governing such commissions mutually satisfactory to companies and agents.

"It was, therefore, decided that for Baltimore, Philadelphia (including Philadelphia suburban area), Boston and Pittsburgh (including the remainder of the territory of the Allegheny County Board) the effective date of the new commission scales except contingents was postponed until April 1. The new 5 percent contingent formula immediately replaces all contingent contracts that expire after Jan. 1. The entire new commission program, including contingents, for Camden, Essex, Hudson and the so-called 10 northern counties of New Jersey, which consist of Bergen, Passaic, Morris, Union, Middlesex, Somerset, Hunterdon, Warren, Sussex and Mercer, was suspended to a date not later than June 1."

#### GUARDIAN'S INCREASE SUBSCRIBED

The Guardian Fire's new issue of 20,000 shares of stock has been subscribed and paid for. The entire issue was underwritten prior to Dec. 31, and the entire amount of \$1,000,000 was paid into the treasury of the company, subject to the subscription rights of the stockholders. The company's statement as of Dec. 31, will therefore show the capital increase. All the 20,000 shares were taken by stockholders and new investors, and the syndicate underwriting the issue was not called upon for any payment whatever. President Robert Van Iderstine stated that the increased working capital will permit the company to take on additional treaties, and that any new business accepted would be of the same conservative character as that already written by the company.

#### INSTITUTE ALUMNI ORGANIZE

Thirty associated members of the Insurance Institute of America, resident in and about New York City, last Thursday formed an alumni association. They voted to offer a prize of \$30 to the student attaining the highest mark in the examinations in April next. Students sitting for makeup examinations will not be privileged to compete for the award.

#### LIQUIDATION ORDER OBTAINED

Last Saturday the attorney general, acting for Superintendent Beha, obtained an order directing the Liberty Underwriters of New York, a Lloyds organization formed in 1886 as the Isthmus Lloyds, to show cause why the New York department should not take it over on the grounds of insolvency. The superintendent submitted with the application a statement of the organization that shows assets of \$7,142 and liabilities of \$36,000.

#### DOYLE TO BE IN CHICAGO

J. H. Doyle, general counsel of the National Board, is swinging through the south planning to return by way of Chicago, in which city he will visit E. M. Griggs, associate general counsel of the organization, and discuss with him matters of general interest in the fire insurance as resident partner.

#### HANOVER FIRE STATEMENT

The annual statement of the Hanover Fire shows assets of \$14,021,320, capital \$2,000,000, other liabilities \$5,995,322, net surplus \$6,025,998, premiums written last year \$4,957,500.

#### OPEN NEW YORK OFFICE

Alexander Grant & Co., members of the American Institute of Accountants and widely retained by fire insurance companies in the west in connection with loss adjustments, will open a branch office at 150 William street, New York city, with Iver R. Johnson in charge as resident partner.

#### MERCHANTS FIRE STATEMENT

The annual statement of the Merchants Fire of New York shows total assets Jan. 1 of \$12,074,801, capital \$2,000,000 and net surplus \$4,508,599. In-



## CLEAN DECK FOR 1928

There's nothing like the new year for cleaning deck of all the undesirable things in your business. For instance, there is that old idea of waiting for business to come to you. Nothing to it! Clean it out!

Then, there's the theory that the specials are not profitable enough to push. Clean deck on that, too. Many a special line has led to a large policy in the regular lines. And in the aggregate, specials amount to money.

Just a third instance is the attempted coverage of all prospects in person. Forget it! Get after the ones you can visit by all means, but don't let the other ninety and nine wait for you. Your competitor may have a speedier car or be a faster talker. So get after them with advertising. Use newspapers or direct-mail solicitation according to your needs. The Franklin Fire will gladly help its agents with suggestions.

Clean deck! Get rid of the theories and practices that may be holding you back and get after business in 1928 as you never did before. For 1928 shows promise of being a prosperous year if ever there was one and the prosperity is there for the man who cleans deck now and goes for it.

The Franklin Fire offers to agents a wide range of insurance covers. Well qualified agents in territories where this Company is not already represented, are invited to investigate the advantages offered by this old established Company.

## The FRANKLIN FIRE INSURANCE COMPANY

OF PHILADELPHIA

ORGANIZED APRIL 1829

CASH CAPITAL \$1,000,000



### RATE REDUCING APPLIANCES

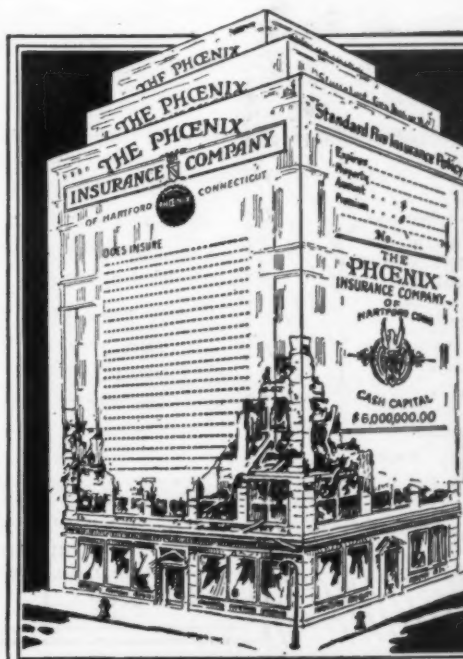
Non-Explosive Safety Cans and Automatic Oil Waste Cans Each can bears the label of the Underwriters' Laboratories and the Associated Factories Mutual Fire Insurance Companies.

**Justrite Manufacturing Co.**  
2067 Southport Ave., Chicago, Ill.

### WANT ADS

in The National Underwriter are read every week by thousands of interested insurance men—that's why they are result getters.  
1 inch \$5.00

52



"Time Tried and Fire Tested"

since 1854

The  
Phoenix Insurance Company  
of Hartford, Conn.

creases for the year were in assets \$2,036,025; unearned reserve \$194,185; re-

serve for contingencies \$500,000 and policyholders surplus \$1,396,166.

## AS SEEN FROM CHICAGO

### GOSS HEADS FARM BODY

Ira D. Goss, one of the farm managers of the America Fore companies at Chicago, was elected president of the Farm Association at its annual meeting last week. He succeeds Charles N. Gorham of the American who has rendered most satisfactory service. E. T. Tanner, executive assistant of the Security of Connecticut, was elected vice-president. John M. Thomas of the Aetna has served in that capacity but has moved to Philadelphia becoming vice-president of the Farm Association. E. B. Hatch was reelected secretary.

President I. D. Goss has appointed the managing committee for the coming year as follows: George H. Bell, western manager National of Hartford; Lesch & Cornell, farm managers Home; Elof Peterson, America Fore group; W. N. Achenbach, western manager Aetna; Charles S. Vance, Iowa National; H. T.

Cartlidge, western manager L. & L. & G.; Charles N. Gorham, western manager American of Newark; A. G. Dugan, western manager Hartford Fire; J. W. Gregory, assistant western manager Crum & Forster companies.

### H. B. HENCH & CO.

H. B. Hench & Co., of Chicago, brokers with Bowes, Rogers, Tansill & Welch, have established their own office at 848 Adams-Franklin Building.

### Fire Examiners Meet

Frank H. Jones, manager of the Illinois Inspection Bureau, addressed a well-attended meeting of the Association of Fire Insurance Examiners of Chicago last Thursday evening on the subject of bureau inspections, and afterward led a general discussion of the subject. The object of the discussion was to obtain the examiner's views on in-

spection in order that the inspection work of bureaus can be more intelligently done. One of the objects of a bureau inspection is to eliminate duplication of inspections by the company field men and thus save time and money. President Walter Schmidt of the association announced that a committee is to be appointed at the next meeting to meet with Mr. Jones to go further into the matter of bureau inspections, especially of commercial risks, with a view to time and money saving.

Two nominating committees, one for the administration ticket and one for the opposition, were appointed to select nominees to be voted on at the annual meeting of the association, which will be held in the H. & M. Men's Grill in the McKinlock building the evening of Feb. 9.

\*\*\*

### MOFFATT TO SPEAK

Thomas C. Moffatt, of Newark, N. J., ex-president of the National Association of Insurance Agents and one of the outstanding local agents of the country, will be one of the speakers at the forthcoming meeting of the Fire Underwriters Association of the Northwest to be held in Chicago, Feb. 28-29. Mr. Moffatt is a forceful and convincing speaker and

has an engaging personality. He will discuss the value of the field men's work to the local agent.

President Ralph Rawlings expects to complete his program next week. The meeting falls this year on Tuesday and Wednesday and under this arrangement the field men who attend it will have Monday, Thursday and Friday to confer with their western departments in Chicago. The good fellowship dinner will be held the first evening and the dinner of the Society of Life Members on the second evening.

\*\*\*

### INSURANCE STOCK QUOTATIONS

Howard W. Cornelius, manager of the insurance stock department of Lewis-Dewes & Co. of Chicago, gives the following insurance stock quotations:

Stock	Par	Bid	Asked	Per Cent
Aetna Cas. & S.	100	1350	1370	13
Aetna Fire	100	785	795	24
Aetna Life	100	870	890	12
Agricultural	25	130	140	4
Alleghenia	50	200	210	20
Alliance, Pa.	10	75	80	20
Amer. All.	100	575	600	16
Amer. Auto.	10	65	70	20
American, N. Y.	5	32	34	1
Amer. Res.	10	87	92	21 1/2
Amer. Sur.	50	345	350	12
Automobile	100	360	370	11
Balt. Amer.	10	72	76	12 1/2
Bank & Ship.	100	480	510	10
Boston	100	1000	1010	10
Buffalo	100	400	410	13 1/2
Camden	10	27	29	12
Carolina	10	73	79	1 1/2
City of N. Y.	100	650	670	12
Commonwealth	100	610	620	30
Cont. Cas.	10	74	77	16
Continental	25	80	82	6
Conn. Gen. Life	100	1820	1850	12
Det. Fid. & Sur.	50	113	116	11
Fid. & Cas.	25	232	238	6
Fid. & Dep.	50	295	300	18 1/2
Fidelity-Phenix	25	195	200	10
Fire Assoc.	10	70	75	25 1/2
Firemen's Fund	25	122	126	20 1/2
Firemen's	10	58	60	22
Franklin Fire	25	410	415	33
Glens Falls	10	62	63	1 1/2
Globe & Rut.	100	2700	2900	36
Great Am. Ind.	10	95	100	10
Great Amer.	100	525	540	16
Great Amer. (New)	10	51	54	10
Great Amer. (Rights)	25	65	68	5 1/2
Guardian Fire	25	103	108	5
Hanover Fire	50	325	335	5
Hanover (New)	25	66	69	1 1/2
Harmonia	10	73	79	30
Hartford Fire	100	800	810	10
Hart. St. Boil.	100	850	880	14
Home, N. Y.	100	600	610	20
Homestead	10	58	63	40 1/2
Imp. & Exp.	25	108	112	4 1/2
Indep. Ind.	100	340	350	10
Indep. Fire	10	22	25	6 1/2
In. Co. of N. A.	10	80	84	5
Knicker, Com.	25	200	200	10
Knicker, Pref.	25	47	50	10
L'n. Fire, N. Y.	20	118	122	4 1/2
Maryland Cas.	25	180	190	18
Merchants, Com.	25	270	280	10
Merchants, Prd.	100	125	130	7
Mechanics	25	68	74	4
Met. Cas.	25	73	76	6
National, Ct.	100	1020	1060	20
National Lib.	10	200	215	10
National Union	100	340	347	12
National Sur.	100	360	380	9
New Ams. Cas.	10	77	80	24 1/2
Niagara Fire	50	415	430	10
Northern, N. Y.	100	400	410	10
North River	25	245	255	4
New York Cas.	25	132	138	4
Pacific Fire	25	140	150	2 1/2
Pacific Ind.	50	147	153	20
Pac. Mut. Life	100	850	860	20 1/2
Phoenix, Ct.	100	840	850	20
Preferred Accl.	100	540	550	23
Prov. Wash.	100	660	680	14
Reliance Cas.	100	35	40	12 1/2
Rhode Island	100	425	435	10 1/2
Rossia	25	170	172	24
Securify, N. H.	25	130	140	12 1/2
Springfield	100	1015	1040	16
F. & M.	100	209	215	6
Springfield F. & M. (New)	25	300	305	25 1/2
Stuyvesant	100	1760	1800	16 1/2
Sun Life	100	1690	1710	5 1/2
Travelers	20	350	365	18 1/2
United States	20	350	365	18 1/2
U. S. Fid. & G.	50	865	875	18 1/2
U. S. Mer. & Sh.	100	400	410	20 1/2
Westchester	10	83	86	2 1/2
Chi. F. & M.	10	14	16	4
Colonial, N. Y.	10	25	27	20 1/2
Dubuq. F. & M.	100	5	9	11 1/2
Excelsior	5	9	11	18 1/2
Milw. Mech.	10	53	58	18 1/2
New Brun. Fire	10	68	72	15
New Eng. Fire	10	37	50	13
New Hamp.	100	375	385	16
New Jersey	20	60	65	9 1/2
N. W. National	25	190	200	30
Peoples Nat.	25	50	55	41
St. P. & M.	25	213	218	14 1/2
Union Cen. Life	20	...	...	8 1/2

### NEW LIFE MEMBERS

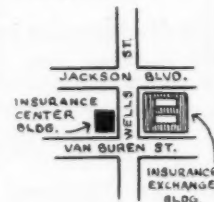
Having paid dues continuously for 22 years, 22 members of the Fire Underwriters Association of the Northwest



## HERE .. In the Heart of Chicago's Insurance Center is Office Space at Unbelievably Low Rentals

WHEREVER you are — whatever you are paying for rent . . . you ought to consider the Insurance Center Building. This newly erected 16-story structure offers every convenience for insurance organizations. It is designed for maximum light and air—individual offices and suites are planned for greatest efficiency—the location opposite the Insurance Exchange Building and in the heart of Insurance Chicago—And the rent is unbelievably low—you are certain to profit by the change.

A floor plan will be gladly sent you on request. Just phone Mr. R. B. Witwer, Harrison 5080 or Central 5753.



## INSURANCE CENTER BUILDING

NORTHWEST CORNER OF WELLS AND VAN BUREN STREETS

Frankenstein & Co., Agents

110 So. Dearborn Street

Telephone Central 5753

CHICAGO

ILLINOIS

### REPRESENTATIVE INSURANCE TENANTS OF THE INSURANCE CENTER BUILDING

Commercial Underwriters Corporation  
Missouri State Life Insurance Co.  
London & Lancashire Indemnity Co.  
Miles & Miles, General Agents, Union Automobile  
H. M. Robinson Co., Adjusters  
Whitaker & Jackson  
National Lumber Mutual Ins. Co.  
Indemnity Mutual Credit Insurance Co.  
Buenemann & Knapp  
Charles A. Russell Co., Adjusters  
Conservative Life Insurance Co.  
Wm. E. Ford, General Agent, Conservative Life  
National Underwriters' Corporation



will be moved this year automatically into the Life Members Society and will in the future be relieved of the necessity of paying dues. There are at present 226 belonging to the Life Members Society and the additional 22 will give the life members class a total of 248. Charles E. Dox, western manager of the London & Lancashire, is president of the Life Members Society and will preside at the dinner to be held at the Mid-Day Club Feb. 29.

Those who become eligible for life membership this year are:

George A. Arens, Illinois state agent, North America; H. W. Boyd, second assistant western manager, Royal; P. W. Cadman, formerly assistant western manager, Royal; W. B. Calhoun, local agent, Milwaukee, Wis.; C. W. Cartwright, Minnesota state agent, Northern of England; Lewis F. Daniel, Minnesota state agent, Scottish Union; A. G. Dugan, western general agent, Hartford; Wynn C. Gerow, secretary, Detroit National Fire; F. M. Gund, western manager, Crum & Forster; R. T. Hugard, Ohio state agent, Great American; C. T. Ingalls, manager Oklahoma Inspection Bureau; William F. Jacobs, Chicago local agent; George P. Kessberger, Michigan state agent, Citizens; A. A. Maloney, local agent, Los Angeles; Clarke J. Munn, manager Cook County Loss Adjustment Bureau; E. E. Olinger,

special agent, Oklahoma City; Guy H. Reyburn, local agent, Peoria, Ill.; R. G. Scheunemann, vice-president, Ellet & Loeb, Chicago; E. M. Schoen, western general agent, Atlas; Alfred Stinson, vice-president, Automobile; K. L. Walling, publisher, Iowa Insurance Service Bureau; S. F. Weiser, secretary, Dubuque Fire & Marine.

#### PLAN FARM TEXTBOOK

The initial meeting of the joint text book committee of the agricultural committee of the National Fire Waste Council and the farm committee of the National Fire Protection Association will

### MARCHANT

SUPER - AUTOMATIC  
A Calculating Machine

#### TO CLEAR DIALS YOU PRESS KEY

Clearance is automatic—lightning fast eliminating all handle "cranking."

#### TO MULTIPLY PRESS ANOTHER KEY

Multiplication also is automatic—result appears instantaneously.

BEFORE YOU  
DECIDE SEE  
MARCHANT.

Write or  
consult  
your  
phone  
book



15 YEARS  
BUILDING  
CALCULATING  
MACHINES—  
AND NOTHING  
ELSE

MULTIPLICATION  
DIVISION  
ADDITION  
SUBTRACTION

**MARCHANT**  
SUPER - AUTOMATIC  
MARCHANT CALCULATING MACHINE CO.  
New York Chicago Oakland London  
Sold and serviced in all principal cities  
of the world.

### OPPORTUNITIES

This column serves as a market place where insurance wants may be made known to thousands of interested insurance men.

Advertisements which are received before 9:00 A. M. Wednesday are inserted in the current issue. "Opportunities" advertisements are \$5.00 an inch for one insertion.

The National Underwriter  
Chicago

#### Experienced Examiner

Wants position with Fire Company. Have field experience, National Inspection Company training, familiar with all special hazards, sprinklered risks, and underwriting of various lines. Age 35. Good references. Address D-28, care The National Underwriter.

#### GOOD OFFICE—A BARGAIN

Sublease of 1,500 sq. ft. (or more) in BROOKS BLDG., 223 W. Jackson Blvd., Chicago. Concern giving up office will sacrifice. Immediate or May 1 possession. Address D-29, care The National Underwriter.

A large adjustment office located in Chicago desires secure services ambitious young man to assist handling loss correspondence. Please state education, experience and salary expected. Address D-30, care National Underwriter.

#### Personal—Paul Chester

Will Paul Chester, former Chicago Adjuster, please communicate with D-22, care The National Underwriter.

### MISSOURI

### KANSAS

## J. H. Good General Agency

#### REPRESENTING

Iroquois Fire Ins. Co.  
Detroit F. & M. Ins. Co.  
Minneapolis F. & M. Ins. Co.  
The State Assurance Co., Ltd.

KANSAS CITY, MO.

Agents Wanted in Unoccupied Territory

## Hotel Directory

### BREVOORT HOTEL

Madison Street  
East of LaSalle CHICAGO

[Insurance Headquarters]

Brevoort Hotel upholds  
worthily the best traditions of  
American hotels famed for hos-  
pitality.

**NEW  
NICOLLET  
HOTEL  
Minneapolis**

The Northwest's  
finest — 800  
rooms with bath  
or connecting.  
Every room an outside room. Finest  
Ballroom in Northwest. Every facility  
for conventions up to 1,500.

ROOMS	
59 at \$2.00	227 at \$2.50
68 at 2.50	41 at 4.00
84 at 3.00	38 at 5.00

Suites and Special Rooms at \$6 to \$9.  
W. B. CLARK, Manager

**The  
Alamac Hotel**  
Broadway and Seventy-First Street  
New York City

The perfect selection when visiting the  
Metropolis.

600 Rooms each with bath,  
shower and Servidor.

Not too large, not too small—a hostelry that  
offers personal service and courtesy.

Renowned CONGO ROOM & Aerial Balcony  
Coolest Place in Town!

Because of location it is an ideal summer hotel.  
Many garages nearby—plenty of parking space.

TARIFF MODERATE

**Lutz Management**

WIRE AT OUR EXPENSE FOR RESERVATIONS!

In Des Moines it's

### The CHAMBERLAIN Hotel

Most Centrally Located  
250 Fireproof Rooms

### CEDAR RAPIDS, IA. HOTEL ROOSEVELT

Rates: Room without Bath with private Lav-  
atories \$1.50 and up. Rooms with Bath, Shower  
or Tub \$2.50 and up. R. G. KILL, Mgr.

### WANT ADS

One inch One issue  
\$5.00

## FIRE REINSURANCE TREATIES

Eagle Fire Insurance Company  
(NEW JERSEY)

Baltica Insurance Co., Ltd.  
(DENMARK)

Franklin W. Fort

Thomas B. Donaldson

18 WASHINGTON PLACE, NEWARK, N. J.

be held in Chicago next Monday. The idea in mind of the committee is the compilation of a text book covering the whole subject of farm fire hazards, prevention and protection for the use of rural schools, agricultural colleges, county agents and all others interested in farm welfare. I. D. Goss of Chicago, chairman of the text book committee, of the National Fire Waste Council, is chairman of the text book committee, the other members being G. F. Lewis, Toronto, deputy fire marshal of Ontario; Harry E. Roethe, associate engineer of the Department of Agriculture, Washington, D. C.; C. R. Wellborn, superintendent of label service, Underwriters Laboratories, Chicago; Thomas E. Wheeler, secretary of the Agricultural Editors Association, Huntington, Ind.; James C. Slocum, Detroit, editor "Farm Fire Prevention Journal," and Wallace Rogers, chairman of the speakers' bureau of the agricultural committee.

\* \* \*

Officers of the Milwaukee Board and members of its fire patrol committee visited the Chicago patrol station at 100 South Des Plaines street last Thursday when the station was opened.

#### Court Granted Rehearing

The Missouri Supreme Court en banc on Jan. 23 granted St. Louis a rehearing in the seven insurance tax suits decided against the city on Nov. 18 last. In its decision November the supreme court issued an order quashing the record of assessments made by City Assessor Fred Gehner of St. Louis and approved by the city board of equalization against the American Automobile. The issues in the other six suits had been joined with the American Automobile case. The high court held that the insurance companies were entitled to exemption from taxation on unpaid policy claims and legal reserves. The seven cases will probably be reinstated on the docket of the court in banc for resubmission at the April term.

### SOUTHWEST OFFICE FOR AMERICA FORE GROUP

#### GROVER WILL BE IN CHARGE

Agents in Louisiana, Arkansas, Mississippi and Texas to Report to New Dallas Branch

NEW YORK, Jan. 25.—Due to the growth and splendid prospects for further development of the great southwest, the America Fore group has decided to establish a home office branch at Dallas, Tex., to which some 2,000 agents located in Louisiana, Arkansas, Mississippi and Texas will report. The Dallas office will be under the full charge of Secretary O. F. Grover.

All business in these states will be underwritten at this office and all losses will be reported to and settled there. All accounts will be rendered to this office and all premiums for the district paid there.

#### Grover Well Qualified

Mr. Grover is thoroughly qualified by long years of experience to supervise the business and interests of these companies. His early insurance experience was with the Hartford Fire, having started with that company upon completion of public and high school education, beginning as office boy and working up through the various departments. When the Hartford opened its branch office in Atlanta he was one of four of the underwriting staff sent to the city and was subsequently in charge of the underwriting for the company in several of the southwestern states.

Mr. Grover became affiliated with the Fidelity-Phenix 17 years ago as an examiner for Louisiana and Mississippi, and later when the company's Texas business was transferred from the Chi-

### MANY APPLICANTS FAIL IN AGENTS' LICENSE TEST

#### DUNHAM SAYS TEST NOT HARD

Connecticut Department Failed 301 Out of 1,818 Agents Examined During 1927

One-sixth of the applicants for agent's license failed to pass the test given by the Connecticut department during the past year. A total of 1,818 examinations were taken in 1927, averaging more than 150 a month, with 301 failing to pass.

Commissioner Dunham says the examination given during the past year was not more difficult than that given in other years, the questions being concerned with the simple fundamentals of the business. An applicant for a license to sell insurance who is not able to answer the questions is hardly the type

cago office to the New York headquarters, that state was added to his field. Some five years later he was given charge of the entire southern business of the American Eagle, embracing the entire southern territory from Virginia to Texas.

#### Has Had Many Advancements

In January, 1916, he was appointed agency superintendent of the Continental, taking charge of that company's interests for virtually the same territory. In 1918 he was made assistant secretary and then secretary of the Continental. In December, 1924, he was made secretary of the Fidelity-Phenix and later, when the First American was incorporated, secretary of that company.

Altogether Mr. Grover has had more than 30 years' experience in underwriting and executive work, all in southern and southwestern territory.

of person to be entrusted with the responsibility of dealing with an uninformed public, he points out.

#### Business Complicated

"The business of insurance is a complicated one, and ordinary people are very easily misled with regard to it," he says. "Our purpose in conducting these examinations is to see that the candidate for a license as agent possesses a necessary minimum knowledge about forms and conditions of the kind of insurance business he intends to engage in, in order thus to provide against ignorant misrepresentations by him to members of the insuring public."

#### Should Be Competent

"After all, the agent should not be regarded as merely a commercial drummer. He takes his part in performing a great social service, and he ought to have some competence to advise people as to the sort of insurance they need."

"The examination, which can be taken at the office of the insurance commissioner in Hartford at any time during the year, is not severe, but is severe enough to indicate whether or not a man or woman is prepared to assume the responsibility of selling insurance."

Many of the 301 who failed to pass the test succeeded in subsequent examinations after studying harder. A total of 16,954 licenses were renewed during the past year. Agents of other states numbering 482 were granted licenses as of Sept. 15. The number of agents in Connecticut as of that date was 5,291, while the number of brokers was 371.

"No man engaged in business, whether in partnership or by individual effort, who assumes financial obligations, can afford to be without insurance. I believe the time will come when creditors generally will require the firms to which credit is granted to have as adequate protection on the lives of their principals as they now require on the merchandise and property they hold."—J. Howard Ardrey.

## Wherever This Sign is Displayed



There Is an Agency Well Served  
and Clients Well Satisfied

*For over one hundred years the Newark trademark  
has been a respected symbol of sound insurance.*

**The Newark Fire Insurance Co.**

Newark, N. J.

**T. L. FARQUHAR**  
President

**C. E. TITSWORTH**  
Vice-Pres. and Treas.

**WESTERN DEPARTMENT**  
209 West Jackson Blvd.  
CHICAGO

**ELWIN W. LAW**  
General Manager

**HORACE W. BOYD**  
Manager



## WEST TO RETIRE AT CLOSE OF THIS YEAR

### ALWAYS CONSTRUCTIVE FORCE

Has Served the Glens Falls During His  
Entire Business Life, Now  
Being President

At a dinner of the employes of the home office of the Glens Falls last week President E. W. West announced his intention of retiring from office at the close of the present year. This news came with great regret on the part of the home office force. He has been associated with the company for 54 years, starting as a boy running errands in September, 1873. On account of his untiring energy and industry linked with intelligence, he won promotion working his way through various positions. He was appointed special agent and then was recalled to the office as assistant secretary. He became secretary and in turn vice-president. He was elected president in 1920 to succeed Russell A. Little. Mr. West has been essentially a constructive factor in the Glens Falls organization. During his presidency the stock has been increased three times. He has put into effect an agency and employes stock sharing plan. He also brought about the purchase of the Commerce of Albany and organized the Glens Falls Indemnity.

### Consider Kentucky Problems

The executive and legislative committees of the Kentucky Association of Insurance Agents met in Lexington last Friday to consider Kentucky legislative problems. All members of both committees were present. Paul H. Eastham of Ashland is president and Sam Moxley of Shelbyville is chairman of the legislative committee. While in session the executive committee adopted the following resolutions and sent a copy of it to the West Virginia association: "Resolved that we, the executive committee of the Kentucky Association of Insurance Agents, in meeting assembled, unanimously extend our sympathy and support to the West Virginia Association of Insurance Agents, in its endeavor to maintain the American agency system and its principles."

### Millers National Change

C. B. Cole, who has been president of the Millers National of Chicago, has become chairman of the board. M. A. Reynolds, secretary, succeeds him as president. Frank S. Danforth, assistant secretary, becomes secretary; A. A. Kruger, now chief accountant, assistant secretary, and A. J. Bushnell assistant treasurer.

### CONVENTION DATES

Feb. 7-8—Fire Underwriters Association of the Pacific, San Francisco.  
Feb. 14—Bureau of Personal Accident & Health Underwriters, New York.  
Feb. 28-29—Fire Underwriters Association of the Northwest, Chicago.  
Mar. 13-14—Health & Accident Conference, Chicago.  
March 14-15—National Association of Insurance Agents (mid-winter meeting), Memphis.  
Apr. 6-7—Florida Agents, Gainesville.  
Apr. 10—Western Union, Atlanta.  
May 1—Kansas Insurance Day, Wichita.  
May 7-10—National Fire Protection Association, Atlantic City.  
May 18—Nebraska Insurance Day, Lincoln.  
Aug. 28-31—Blue Goose Grand Nest, Montreal.  
Oct. 1-4—National Association of Mutual Insurance Companies, Milwaukee.  
Oct. 24—Wisconsin Insurance Day, Milwaukee.



## AMERICAN NATIONAL FIRE INSURANCE COMPANY

8 East Long Street

COLUMBUS, OHIO

Capital \$500,000

CHARLES G. SMITH, President  
JESSE E. WHITE, Vice-President JOHN A. DODD, Vice-Pres. and Sec'y  
GEORGE E. KRECH, Secretary  
ALLEN W. FLEMING and E. PHILLIP GUSTAFSON, Assistant Secretaries

Progressive, Yet Conservative

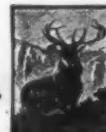
Its Name Indicates Its Character

Operating Along Sound Lines

How much easier the going is  
when advertising paves the way!



**HARTFORD FIRE INSURANCE CO.**  
HARTFORD, CONN.



THIS ADVERTISEMENT IS DIRECTED TO AGENTS OF  
THE ALLIANCE INSURANCE COMPANY

## Millions of People Read About You!

**IT'S A FACT!** Every advertisement of The Alliance Insurance Company in The Saturday Evening Post features the Alliance agent. That's you.

Property owners are urged to consult you in the matter of insurance protection. They are being told that you—the Alliance Agent—can, and gladly will, point out to them how their fire hazards may be reduced and their insurance premiums lessened.

You are being "sold" to millions of people as an expert on all forms of dependable property insurance and they are being told of your qualifications and willingness to render them a distinctive, practical insurance service.

All of which means—to the Alliance agent—a 100 per cent co-operative effort that aids directly in procuring business and developing prestige—for you!



**THE ALLIANCE  
INSURANCE COMPANY**  
of PHILADELPHIA

Head Office  
1600 Arch Street, Phila., Pa.

209 W. Jackson Blvd., Chicago, Ill.  
231 Sansome Street, San Francisco, Cal.  
8th fl. Hurt Bldg., Atlanta Ga.

## SERIOUS CLASH OVER CHICAGO BOARD RULES

(CONTINUED FROM PAGE 4)

\$1,000 for the first offense, \$2,000 for the second and \$3,000 and expulsion from the board for the third.

### Protest Filled

The first intimation of a cleavage in the ranks came when the protest of the company managers was received last week by the executive committee of the Chicago Board. The executive committee acted at once and invited the signers of the protest to meet with it. This meeting was held last Friday with August Torpe, Jr., president of the board, acting as spokesman for the board and C. R. Street of the Great American and George H. Bell of the National acting in a similar capacity for the protesting companies. At this meeting no understanding was reached and both sides now seem to feel that they have reached an impasse.

### Text of Protest

The protest filed with the executive committee reads:

"We, the undersigned companies, transacting a general business of fire and tornado insurance in Chicago and Cook County, Ill., do hereby register a formal protest against the legislation passed by your board at its regular annual meeting, held Jan. 12, 1928, insofar as it attempts to fix and control the rate of commissions paid by companies to certain of their regularly appointed agents in Cook county.

"We would direct your attention to the fact that the matter of compensation to agents rests fundamentally within the power and discretion of the companies themselves, and further, your legislation upon this subject is subversive of the objects and purposes of your constitution.

"We accordingly place ourselves on record with your board as totally unwilling to support or observe the legislation above referred to.

"The undersigned recognize the condition of demoralization into which commissions in Chicago and Cook county have fallen and fully appreciate the need for taking prompt and effective steps to reduce materially and render uniform this important element of acquisition cost to the business. We submit, however, that any plan to fix commissions within the territory of your board that does not limit the commissions of all classes of agents is uneconomic, discriminatory and impracticable of enforcement.

"We hold ourselves in readiness to confer with you upon any plan of commission regulation that promises to be equitable and capable of enforcement, and to which the companies generally may be willing to subscribe."

### Signers and Companies

The signers of it are: George C. Long, Jr., Phoenix of Hartford group; George H. Bell, National of Hartford group; H. T. Cartledge, Liverpool, London & Globe group; Elwin W. Law, Royal and Newark; F. P. Hamilton, Queen; C. R. Tuttle, North America, LaFayette, LaSalle and National Security; W. P. Robertson, Alliance; W. B. Flickinger, Philadelphia Fire & Marine; C. R. Street, Great American group; S. M. Buck, Transcontinental; A. G. Dugan, Hartford and Citizens; J. R. Wilbur, America Fore group; W. A. Chapman, Fireman's Fund and Home Fire & Marine; Carl Koch, National Liberty; Charles E. Dox, London & Lancashire.

### Results of Vote

At the Jan. 12 meeting the vote was overwhelmingly in favor of the amendments and the mail ballot has shown the same general results. The final vote is 125 for the amendments and 17 against, with 15 not voting. It requires a 60 percent affirmative vote in order to secure a constitutional amendment to the board and thus many more favorable votes were cast than were needed. Only two of the protestants were present at

## INDIANA DAY WAS FITLY CELEBRATED

(CONTINUED FROM PAGE 8)

the business has been conducted at a loss, other states undoubtedly will demand the same treatment and the country will have a flood of Missouri laws. He said that the decision may require a rebuilding of the entire rating structure. The future, he said, is fraught with great doubt as to just how fire insurance will move. Regardless of all conditions he said that he feels that the business is on a very sound footing. More people are owning insurance stocks now than ever before.

At the afternoon meeting President Stickney gave his report outlining The Federation work of the year. Secretary Hugh E. Reynolds reported a balance of \$4,291. Joseph G. Wood reported for the legislative committee, stating that of 36 bills introduced only 13 became law. The Federation lost its fight for an agency qualification law but defeated the compulsory automobile law.

### E. J. Donagan a Speaker

E. J. Donagan, vice-president and general counsel of the Metropolitan Casualty, in a very thoughtful paper brought out the difference between insurance and suretyship but showed that in many ways there was a mingling of the two of insurance with the flesh of suretyship making good red herring. He believes that this tendency is a very desirable one.

George D. Markham of St. Louis, Mo., former president of the National Association of Insurance Agents, traced the history of that organization bringing out some of its more prominent accomplishments. Mr. Markham was present when the National association was organized in Chicago in 1896.

The cup donated by Frank M. Chandler of Chicago, now western vice-president of the New York Indemnity, was the originator of Indiana Insurance Day, to the person who has contributed the most to insure during the year in the state was awarded to Joseph W. Stickney, retiring president of the Indiana Insurance Federation.

At the banquet C. M. Cartwright of THE NATIONAL UNDERWRITER was toastmaster. The speakers were Clarence C. Wysong, Indiana insurance commissioner, A. O. Christensen, president of the Capital State Savings Bank and North Town State Bank of Chicago and Charles Evans of Little Rock, Ark., vice-president of the Home Life of that city.

the annual meeting and both recorded negative votes. It was consequently a great surprise when the protest, which was couched in determined language, was received by the board as it was felt that the opponents of the amendments would abide by the majority vote.

### Myring Is President

The annual meeting of the Special Risk Underwriters was held in New York City Jan. 20. The following officers were elected: President, Thomas C. Myring, Atlas; secretary and treasurer J. C. Milliken, Continental; advisory committee: Persen M. Brink, Westchester Fire; H. C. Klein, New York Underwriters; W. B. Burchell, Commercial Union.

### Pacific Northwest Field Changes

Irvin W. Elwell has resigned as special agent for the North America and allied companies in western Washington to enter the general agency business on his own account. He has been appointed general agent at Seattle for the Twin City Fire and the New Brunswick Fire. George E. Harris, special agent in western Washington for the W. W. & E. G. Potter office, has resigned and is succeeded by Ralph H. Mann, who formerly represented the company in Portland.

G. A. O'Sullivan, formerly with the Washington Surveying & Rating Bureau, is now special agent for Hinchman, Wentz & Miller.



## R. R. WILDE RESIGNS ROYAL EXCHANGE POST

JOINS CORROON & REYNOLDS

Will Represent Group of Five Fire  
Companies in Capacity of  
General Agent

NEW YORK, Jan. 25.—R. R. Wilde, general agent of the western department of the Royal Exchange group, has resigned to become general agent of the Corroon & Reynolds group of companies, consisting of the American Equitable, Knickerbocker Fire, New York Fire, Brooklyn Fire and the Merchants & Manufacturers Fire of Newark.

Mr. Wilde has had wide experience in the fire insurance business, having spent 13 years with the North British & Mercantile, rising from office boy to supervisor in the western department. About two years ago he left the North British to go with the State Assurance as general agent under Manager Hare. When that company was taken over by the Royal Exchange he became general agent for that group in the western field under Assistant Manager Waller. He has had not only fine office training but also several years of field experience, having traveled in Oklahoma for the North British fleet. He has many acquaintances among the agents of the middle western states. In his new connection his time will largely be devoted to the midwest.

### Another Expansion Move

The acquisition of Mr. Wilde is another move on the part of the fast growing and aggressive Corroon & Reynolds organization to equip itself thoroughly with the proper manpower to supervise the expansion of its different companies into broader territory and to give to its agency connections adequate service and assistance.

### Many Wind Storm Losses

LOUISVILLE, KY., Jan. 25.—Louisville agencies handling windstorm are handling a great many claims at the present time, as a result of a storm sweeping the southern section of the city and part of the county on Jan. 19 in which estimated damage was around \$250,000. Many buildings were blown down or unroofed, several brick buildings having sides or ends blown out, and a considerable number of frame buildings were wrecked, while there was much roof damage. One agency reported over 100 claims by Saturday.

# Automobile Insurance ONLY

**A**TLAS Casualty Company writes automobile insurance—ONLY. All of its time is devoted to specialization in this one line—to helping its agents and serving its policyholders.

It writes every automobile insurance coverage—fire, theft, liability, property damage, collision, tornado, plate glass—writing any or all coverages in one policy.

It provides facilities for efficiently handling one risk or an entire fleet with equal dispatch. It rigidly upholds its long-standing

reputation for promptness and satisfaction in the adjustment of claims.

Moreover, ATLAS Casualty Company offers you the benefits of this specialization through an attractive agency contract, and will assist you in building and retaining an ever increasing volume of profitable automobile insurance business.

It will benefit you to become conversant with the ATLAS agency contract.

# Atlas

## Casualty Company

EXECUTIVE OFFICES  
Fort Wayne, Indiana

OPERATING IN ILLINOIS, INDIANA, OHIO, MICHIGAN, MISSOURI and PENNSYLVANIA

R. M. BISSELL, President

WILLIAM WALSH, Secretary

## TWIN CITY FIRE INSURANCE COMPANY MINNEAPOLIS, MINNESOTA

*The Company That Aims to Excel in Service*

**FIRE TORNADO FARM  
HAIL AUTOMOBILE TRACTOR**

### For Ohioans Only

Want to make a profitable agency connection with specialists in Automobile Insurance?

*Write now to*

**The Metropolitan Motor  
Insurance Company**

*All Forms of Automobile Insurance*

423 Euclid Ave.

Cleveland, Ohio

# REINSURANCE FIRE and CASUALTY

Rossia Insurance Company  
of America

The Fire Reassurance Company  
of New York

American Reserve Insurance Company  
of New York

Lincoln Fire Insurance Company  
of New York

The First Reinsurance Company  
of Hartford

115 Broad Street Hartford, Conn.

## THE NATIONAL UNDERWRITER

Formerly THE WESTERN UNDERWRITER

Published every Thursday by THE NATIONAL UNDERWRITER COMPANY, Chicago, Cincinnati and New York. EDWARD J. WOHLGEMUTH, President; JOHN F. WOHLGEMUTH, Secretary; HOWARD J. BURRIDGE, Vice-President and General Manager; H. E. WRIGHT and NORA VINCENT PAUL, Vice-Presidents; WILLIAM A. SCANLON, Southwestern Manager; GEORGE C. ROEDING and O. E. SCHWARTZ, Associate Managers; B. F. STEVENS, Manager, Advertising Service Department.

C. M. CARTWRIGHT, Managing Editor  
HOWARD J. BURRIDGE, Associate Editor  
FRANK A. POST, Associate Editor

PUBLICATION OFFICE, Insurance Exchange, CHICAGO. Telephone Wabash 2704  
CINCINNATI OFFICE, 420 E. Fourth St., Telephone Main 5781 RALPH E. RICHMAN, Manager  
E. R. SMITH, Statistician; ABNER THORP, JR., Director Life Insurance Service Dept.  
NEW YORK OFFICE  
80 Maiden Lane, Tel. John 1032  
GEORGE A. WATSON, Associate Editor  
CHESTER C. NASH, JR., Associate Editor  
SOUTHEASTERN OFFICE—ATLANTA, GA.  
1517 Fourth National Bank Building  
W. J. SMYTH, Resident Manager

Entered as Second-Class Matter February 24th, 1900, at Post Office at Chicago, Ill., Under Act, March 3, 1879

Subscription Price, \$4.00 a year; in Canada, \$5.00 a year. Single Copies 20 cents  
In Combination with Life Insurance Edition, \$5.50 a year; Canada \$7.50

Member of  
**AUDIT BUREAU OF CIRCULATIONS**  
Associated Business Papers, Inc. National Publishers Assn., Inc.

### Sentiment Regarding 1928

AGENTS enter 1928 with a good deal of confidence but they do not expect that it will be a banner year or that they will increase their business to any great extent. Business in general has reached bedrock and the water is all out of the market. From now on business building will be more conservative as the slack has been taken out of the rope following

the war. The big increases of the war days cannot be expected again. The very fact that business has now resolved itself into a steady dog trot, it seems that agents and brokers will need to use more shoe leather, more brain power, more persuasion and work harder to keep the procession going along as it should.

### How Independence Has Helped

ALBA B. JOHNSON, who is president of the PENNSYLVANIA STATE CHAMBER OF COMMERCE and former president of the BALDWIN LOCOMOTIVE WORKS, calls attention in an article in "Human Relations," gotten out by the INDEPENDENCE INDEMNITY of Philadelphia, to the advantage that America has insurancewise when compared with some of the countries in the old world. Mr. JOHNSON declares that in some countries workmen rely very much on governmental charity, so to speak. In the United States anyone can voluntarily provide against disaster, either personal or property. Undoubtedly this liberty of the individual has much to do with the thriftiness of all classes in the country.

As Mr. JOHNSON points out, the working people of the United States feel it incumbent upon them to protect themselves and their families where insurance plays a factor. Through saving and the purchase of insurance people become independent. He believes that this has stimulated workers to give their largest instead of their least services. He takes the position that this has aided greatly in bringing about the present high average of living conditions. The great growth of life insurance, Mr. JOHNSON attributes largely to this factor.

The progress of insurance in all lines is due in great part to the more intelligent work of the soliciting agent who has raised the standard of his class and is more accurately endeavoring to fit insurance to the needs of the prospect. Many men do not understand how insurance can safeguard themselves and their property. It is here that the service of the agent is valuable and helpful.

### Major Asset Is Time

HUGH D. HART, vice-president of the PENN MUTUAL LIFE, believes the major asset of an insurance man is time. He said there may be but little difference

between one salesman and another, but that difference may be defined in the use or non-use to which he puts his major asset, which is time.

## PERSONAL SIDE OF THE BUSINESS

William C. Roach has resigned as assistant secretary of the Aetna and the World Fire & Marine. Mr. Roach, who had been with the company for 20 years, met with a severe accident while hunting in the fall of 1925. He made a very remarkable recovery but feels that release from active duties presents the best opportunity for future good health. Mr. Roach served for many years as the company's field representative in western New York and in 1923 was elected assistant secretary and called to the home office.

J. J. Conway, superintendent of the Cincinnati Salvage Corps, left Cincinnati Tuesday of this week for Honolulu. Captain Conway expects to be gone for more than two months. He is accompanied by Mrs. Conway.

A. J. Shaw, prominent hail general agent at McPherson, Kan., died last week. Mr. Shaw was an expert on hail insurance. Mr. Shaw entered the hail business in 1900, soon afterwards he organized the McPherson State Mutual Hail, of which he was secretary and manager for 15 years. It was the largest mutual of its kind in the United States. He then gave up his mutual connections and became Kansas general agent for the Security Fire of New Haven, the Rockford Underwriters and the New Haven Underwriters. He was also general agent for the New Haven Underwriters for Oklahoma.

In 1919 Mr. Shaw's office wrote \$1,500,000 in hail premiums.

The agency will be continued as the Shaw General Agency by Miss V. M. Shaw, a daughter of Mr. Shaw, and Miss Abigail Bixby, both of whom have been associated with Mr. Shaw's business for several years. E. P. Janousek will have charge of field work. E. T. Tanner of the western department of the Security at Rockford, Ill., visited McPherson recently and made final arrangements for the continuance of the agency.

Paul B. Sommers, vice-president of the American of Newark, accompanied by Mrs. Sommers, will leave Feb. 3 for a combined business and vacation trip to the Pacific Coast. From California he will proceed up the coast to Seattle, and then back by way of Spokane, Salt Lake City and Denver. It was in the Rocky Mountain territory that Mr. Sommers entered the insurance business as special agent some 20 years ago, and he will give a little time to renewing old acquaintances in that field.

Leaving Denver, he will, of course, stop off at the company's western office in Rockford, Ill., returning to Newark about the middle of March.

Probably no man who has ever been connected with the National Association of Insurance Agents officially or from the standpoint of interest in its work has more friends in that organization than Charles B. H. Loventhal of Nashville. All of them will regret to know his doctor has ordered a complete change and rest for a while. This is meant for prevention rather than a cure and Mr. Loventhal will choose some warmer climate for the time being.

After taking a complete rest for a month or six weeks in accordance with his physician's orders, John Marshall, Jr., whose retirement as vice-president of the Fireman's Fund and Home Fire & Marine was announced last week, to become effective after the annual meeting of these companies next month, will establish an office in the Fireman's Fund Annex building in San Francisco. While Mr. Marshall does not intend to engage in active business, he has been "in the harness" too long to remain entirely idle and feels that he will after a complete rest, welcome some slight activity. It is expected that Mr. Marshall's suc-



JOHN MARSHALL, JR.

cessor will be named this week and it is considered very likely in San Francisco that a company executive will be transferred from the east to fill this position.

August Wuester, Kansas state agent of the Columbia Fire Underwriters of Omaha, was found dead at the Wayside Inn at Norton, Kan., Jan. 21. Mr. Wuester was 70 years of age, and had been connected with the Columbia Fire Underwriters for the past 23 years, acting as executive special agent for a portion of this period. Burial was at Beatrice, Kan.

J. H. Doyle, general counsel of the National Board, is on a trip to the south. His first stop was at Richmond, Va.

Ben C. Hyde, insurance commissioner of Missouri, is still in Mineral Wells, Tex., recuperating from an illness of several months. Word received recently by relatives is that Mr. Hyde is much improved.

Charles C. Bleifert, Indiana state agent of the Commonwealth, has gone to Asheville, N. C., to be with K. D. Weaver, Indiana state agent of the North British & Mercantile, who is very ill in the Mission Hospital in that city following an operation for appendicitis. Mr. Weaver's condition is reported as still unfavorable.

John G. Rolker, one of the best known insurance men in Baltimore, has been named as a member of the city service commission by Mayor Broening. Born in Baltimore, Mr. Rolker entered the general insurance business in 1879. His firm is Baltimore manager of the Great American. He is a director of the Great American Indemnity.

Mr. Rolker is a member of the Association of Fire Underwriters of Baltimore City, and is quite active in its affairs. He was a member of its executive committee for a number of years, and is also connected with many local organizations. Although he has always been active in civic affairs this is the first public office ever held by Mr. Rolker.

Edward B. Wirt, 45, secretary of the Foster-Barker agency, Omaha, Neb., and one of the best known men in insurance circles in the state, died at an Omaha hospital early Tuesday, following a week's illness. Mr. Wirt was a member of the executive committee of the Nebraska Association of Insurance Agents and a member of the board of directors of the insurance division of the Omaha Chamber of Commerce. He has been connected with the Foster-Barker Company for 15 years, becoming secretary about eight years ago.



# Complete Protection

*in one Policy!*

That is the advantage of the "Twelve-in-One" Automobile Insurance policy now issued jointly by the "America Fore" Companies and the Fidelity and Casualty Company of New York through their Combined Automobile Departments. Every insurable hazard is included in this policy for which you have been waiting.

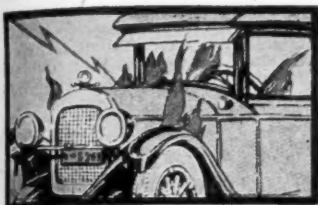
To ride in safety — to enjoy unrestrained the owning and driving of a car, demands complete insurance protection.

The "Twelve-in-One" Policy provides it!

AMERICAN EAGLE FIDELITY-PHENIX  
The CONTINENTAL FIRST AMERICAN  
FIRE INSURANCE COMPANIES  
Eighty Maiden Lane, New York, N.Y.

The Fidelity and Casualty Company of New York  
92 LIBERTY ST. • NEW YORK, N. Y.

COMBINED AUTOMOBILE DEPARTMENTS  
NEW YORK-CHICAGO-SAN FRANCISCO



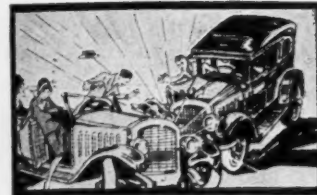
FIRE



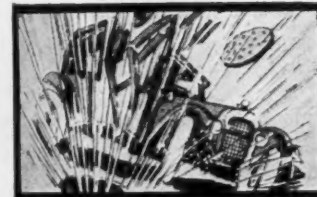
THEFT



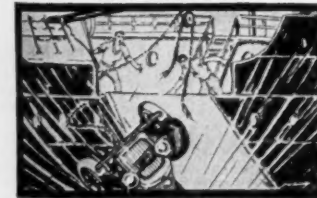
STORM



COLLISION



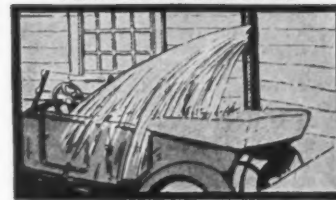
EXPLOSION



TRANSPORTATION



PLATE GLASS BREAKAGE



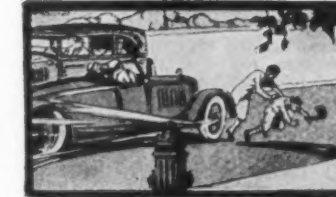
WATER DAMAGE



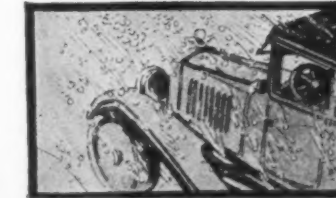
EARTHQUAKE



PROPERTY DAMAGE



LIABILITY



HAIL



# FIRE INSURANCE NEWS BY STATES

## OHIO AND WEST VIRGINIA

### LIQUIDATION PROCESS SLOW

**Ohio Department Has Eight Companies to Wind Up—Investigation and Assessments Take Time**

The Ohio department is now watching the liquidation of eight companies. These are the Drivers Mutual Indemnity, Cadillac Mutual Automobile, Ohio Mutual Hail, Ohio Motor Mutual, Allied Motor Mutual, Metropolitan Funeral & Burial Association, Great American Mutual Indemnity and Fort Meigs Mutual. Liquidation of companies of this kind is a long drawn out process and proves to be an expensive and often times a novel experience for those who have unpaid claims against them.

The Drivers Mutual Indemnity liquidation may be finally completed this year. It was taken over by the department in 1922. The Cadillac Mutual was taken over in March, 1924, and may possibly be checked out this year. The Ohio Motor Mutual was taken over in 1926. No prediction can be made as to when work on this company will be completed. The same applies to the Allied Motor Mutual. While liquidation of the Great American Mutual Indemnity is now proceeding somewhat more rapidly than a few months ago, it is not known how long it will take to complete that job started in March, 1925. Liquidation of the Fort Meigs Mutual was begun last year.

Here are some of the complications arising in the liquidation of such companies. An assessment is sent out to clear up outstanding claims. About one-fourth of the policyholders usually respond with payment of the assessment. Then an investigation must be made of the other policyholders. If they are worth while suing suits may be brought for collection of the premiums. People die or move away and cannot be located. Claims must be investigated for validity. If appeals are taken to higher courts on some issue, liquidation may be held up for years on this account alone. All this adds means added expense, cutting down the amount to be finally paid out to those having claims against the company. Liquidation of an insurance company is a long, tedious and involved proceeding.

### OHIO TAX INCREASE CASE TAKEN UNDER ADVISEMENT

Judge Scarlett of the common pleas court at Columbus, O., has taken under advisement the case of the Metropolitan Life, against W. C. Safford, superintendent of insurance; B. B. Buckley, state treasurer, and J. T. Tracy, state auditor, relative to the collection of the extra one-half of 1 per cent insurance tax provided by the last session of the legislature. The company claims that the act is retroactive as it is based on the business of 1926. The state says that the measure is not retroactive and that this claim has been upheld in similar cases before the state supreme court.

A Columbus bank is holding \$965,380, which has been paid in trust by the insurance companies, this representing the one-half of 1 percent tax. They have paid into the state treasury the money representing the 2½ percent. It is understood that the case, no matter how the common pleas court decides it, will be carried to the court of appeals and later to the state supreme court, with a possibility that it may go to the United States Supreme Court. Judge C. S. Younger, special attorney general in charge of insurance, represents the state and A. I. Vorys the insurance companies.

### IMPROVE FIRE PROTECTION

**Ohio Towns Increase Fire Fighting Facilities by Adding Men and Installing Equipment**

Engineers of the Ohio Inspection Bureau recently tested and accepted a 1000 gallon capacity Ahrens Fox at Springfield. Last week the engineers tested a machine at Fremont and the week before made a survey of fire protection at Marietta.

The New Philadelphia department has added two additional men to its force. This will give the department four firemen in the daytime and five at night.

Improvements are being made in the waterworks at Mount Vernon. A new pump is being installed, new wells are being driven. The city council is also considering a new building code. A new building code is pending before the Hamilton council and passage is expected at an early date.

A pumper and an aerial truck were recently placed in service at Piqua. The East Liverpool department added 13 men recently which gives the department a total of about 28, considered as the minimum number for safe manning of this department.

Plans are being made at Portsmouth for the spending of the \$900,000 bond issue authorized at the last election for improving the waterworks equipment.

### Brookhart Cases Advanced

Upon motion of the companies the cases of the Ohio National Mutual and the Celina Mutual Casualty have been advanced for hearing in the United States Supreme Court to Feb. 20. The cases involve the management of these companies by E. J. Brookhart, the Ohio department having taken exception to the manner in which he conducted the business, especially in respect to salaries.

### Gregory Heads Field Men

The annual meeting of the West Virginia Fire Underwriters Association was held in Wheeling with 51 members present. B. L. Gregory of Charleston was elected president and E. P. Douglass of Parkersburg, vice-president. New members on the executive committee are J. R. Morrissey of Wheeling, R. E. Burns of Pittsburgh and J. M. Hall of Wheeling. W. R. Ragsdale of Parkersburg heads the executive committee and A. S. Whiteley of Wheeling was reelected secretary.

It was decided to hold a Blue Goose banquet in Charleston early in February.

### Hardy to Speak in Cincinnati

E. R. Hardy, secretary of the Insurance Institute of America, will speak Tuesday evening Feb. 7, before Cincinnati insurance agents and their office assistants. Mr. Hardy will consider with those present a proposal to establish a branch of the Insurance Institute of America in Cincinnati.

### Adjusters Kept Busy

CINCINNATI, Jan. 25.—Adjustment bureaus in Cincinnati report that they are being called upon to adjust more losses at this time than ever before in their history. One of these bureaus has about 700 losses incomplete in its office. At the same time that this increase in work comes, offices have men away because of illness or because of assisting in other cities.

Adjusters from the Cincinnati office of the Western Adjustment have been helping out at the Columbus office. J. J. Conway, Jr., has just returned to Cin-

cinnati after a three weeks' stay in Columbus. A. C. Guy of the Cincinnati office is now helping out in Columbus.

### Storm Losses in Ohio

The tornado that swept down on north Cincinnati in Cumminsville last Thursday morning caused a total loss of about \$30,000. The insurance companies will pay out \$20,000 or \$25,000.

In Hamilton the loss was about \$100,000, and at St. Clairsville about \$50,000. The storm hit a number of sections in the southern part of the state. Lightning accompanied the storm in some places and fruit farms were badly damaged.

### Ohio Agency Changes

The Jenkins Agency at St. Marys, O., has been transferred to Carl R. Ike. The Frederick P. Knerr agency at Payne, O., has been transferred to Oliver E. White.

Following the death of John Bowland at Genoa, O., the John Bowland & Son agency has been transferred to Errett Bowland.

Walter Fogg, until recently Ohio state agent for the Western of Kansas, has opened an agency in Columbus which will be known as the Capitol Square Insurance Agency.

### Large Loss at Hillsboro

HILLSBORO, O., Jan. 25.—Two city blocks were destroyed here Saturday by a fire aided by strong wind. The loss is estimated at \$250,000 or \$300,000. The Murphy-Denham three story building was destroyed and among the concerns which suffered losses were the Elks Club, Palace theater, Murphy hardware store, Dr. J. D. McBride's office, Dr. I. L. De Hass' offices, Byron Clark's grocery, Frank Stevenson's jewelry store, and the traction building.

Mutuals had the insurance on the building housing the hardware store which burned. The hardware stock and the building containing it were the most valuable properties destroyed. While the fire spread to other properties, a number of the other buildings were not modern. Among the losers in the fire was Robert McClure, insurance agent, whose office was destroyed.

### Meeting of Ohio Mutuals

The Federation of Mutual Insurance Associations of Ohio will hold its annual meeting in Columbus Feb. 21-22. Speakers will include Secretary of State Clarence J. Brown, Attorney General E. C. Turner, H. L. Conn, former insurance commissioner, and Eugene Arms of the Mutual Fire Prevention Bureau, Chicago, who will give a talk on radio installation and fire hazards. An effort also is being made to have United States Senator Frank B. Willis speak.

### Enforce 45-Day Rule

CHARLESTON, W. VA., Jan. 25.—Backward and negligent local agents are hearing direct from the home offices of a number of the fire companies on the subject of delayed remittances. Too many of them are failing to live up to the 45-day limit. The new year has brought some of the companies to a point where they want only local agents who will observe business rules and so they have instructed the special agents to close up all delinquent agencies in default after the 45-day limit has expired.

### Form Hewitt-Bowman Company

I. S. Hewitt and Glenn N. Bowman, formerly of the Matteson-Bowman agency have effected a partnership at Youngstown, O., under the name of the Hewitt-Bowman Company. Mr. Hewitt has been in the insurance business for nearly 30 years. Mr. Bowman's experience dates back to more than seven years.

### Big Wall Paper Loss in Cleveland

A loss of \$250,000 was caused by fire in the building of the J. B. Pearce Wall-paper Company of Cleveland, O. The fire caused one of the worst traffic tie-ups in the history of the city, as it was

near the high level bridge. Fire apparatus within five miles of the scene was called out. More than 1,000 rolls of paper were stored in the building. An investigation is being made. It is reported that the fire was caused by the careless dropping of a match by an employee.

### New Companies in West Virginia

CHARLESTON, W. VA., Jan. 25.—Five companies recently admitted to West Virginia include the Hamilton Fire, American Automobile Fire, Reinsurance Corporation of America, New York, and Northern of New York.

Applications are pending from the Brooklyn Fire and Merchants & Manufacturers Fire.

### West Virginia Notes

At Weirton, W. Va., the Coffee House the Gemano restaurant and the Martin grocery were burned with a loss of \$60,000.

Charles S. Conklin, vice-president of the Northern of New York, has been touring West Virginia, establishing agencies for his company in the principal cities.

A dinner party was given at the Elmswha Country Club, Charleston, W. Va., by Frank R. Bell last week attended by insurance men from Huntington, Parkersburg and other cities.

After months of delay and legal advice the Crouch Lumber Company of Beckley, W. Va., has finally agreed upon a settlement with the 16 fire companies on proof of loss that was satisfactory to the companies. The amount of settlement was \$20,125.

A Sunday morning fire in Palestine, W. Va., a rural hamlet in Wirt county, destroyed the merchandising and building of D. P. Chenoweth with an estimated damage of \$18,000, only partially covered by insurance. The cause is attributed to an overheated gas stove. At the time Mr. Chenoweth was in Parkersburg where his wife was ill in a hospital.

### Ohio Notes

A fire at Columbus, O., destroyed \$75,000 worth of lumber in the yards of the Columbus Wood-Working Company last week.

A loss of \$30,000 was caused when a fire destroyed an onion warehouse at McGuffey, O., owned by Edward Shride. A large quantity of vegetables was destroyed.

The Mills & Rohleder men's furnishings store at Zanesville, O., was damaged to the extent of \$20,000 by fire. Stock in adjoining stores was damaged by water.

A. B. Hover of Bellefontaine, O., has been named president of the Patrons Mutual Fire. He succeeds John J. Longfellow, who had been connected with the company for 49 years.

Robert Schmidt, who has been away from his desk in the Frederick Bass Agency, Cincinnati, for about two months, recovering from an appendicitis operation, is back at his work.

Arthur Rabkin is a new member of the Cincinnati Fire Underwriters' Association. He has the sole agency of the LaSalle Fire and represents also the Philadelphia Fire & Marine.

Charles Monroe, retired special agent of the New York Underwriters, is in Cincinnati to spend the winter. He expects to be in that city until May when he will go to his summer home in Lakeside.

Ground has been purchased and plans are being formulated for a fire department house at High street and Duane Road in the northern section of Columbus, O. Additional fire protection has been greatly needed in that section of the city.

At Springfield, O., the factory of the John T. Bryant willow chair and basket concern was burned with \$50,000 loss. Firemen fought the blaze four hours. The building housing the Springfield Tire & Battery Company at Springfield, also was wiped out, the loss being \$40,000.

At New Lexington, O., a large section of the business part of the city was destroyed, the loss being placed at \$100,000. Among the business houses destroyed were the Colborn hotel, Colborn restaurant, Gue & Huffman barber shop and beauty parlor, Kroger store, G. E. Colborn residence and Princess theater.

The development of the air mail service is of particular interest to insurance people because it serves as an indication of the practicality of commercial aviation and a future market.—The Hartford Agent.



## LOYAL TO PRINCIPLE—TO LOYAL AGENTS, LOYAL

NEAL BASSETT, President

A. H. HASSINGER, Vice President and Secretary

JOHN KAY, Vice President and Treasurer

WELLS T. BASSETT, Vice President and Secretary

### JANUARY 1ST, 1927, STATEMENTS

#### ORGANIZED 1855 FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY

ASSETS	LIABILITIES	CAPITAL	NET SURPLUS	SURPLUS POLICYHOLDERS
\$27,602,649.57	\$17,796,927.66	\$5,000,000.00	\$4,805,721.91	\$9,805,721.91

#### ORGANIZED 1853 THE GIRARD F. & M. INSURANCE CO. OF PHILADELPHIA, PA.

\$5,648,862.17	\$2,938,563.59	\$1,000,000.00	\$1,710,298.58	\$2,710,298.58
----------------	----------------	----------------	----------------	----------------

#### ORGANIZED 1854 MECHANICS INSURANCE CO. OF PHILADELPHIA, PA.

\$4,452,703.00	\$2,748,734.22	\$600,000.00	\$1,103,968.78	\$1,703,968.78
----------------	----------------	--------------	----------------	----------------

#### ORGANIZED 1866 NATIONAL-BEN FRANKLIN FIRE INS. CO. OF PITTSBURGH, PA.

\$4,725,350.94	\$2,702,814.94	\$1,000,000.00	\$1,022,536.00	\$2,022,536.00
----------------	----------------	----------------	----------------	----------------

#### ORGANIZED 1871 SUPERIOR FIRE INSURANCE CO. OF PITTSBURGH, PA.

\$4,600,981.46	\$2,598,996.65	\$1,000,000.00	\$1,001,984.81	\$2,001,984.81
----------------	----------------	----------------	----------------	----------------

#### ORGANIZED 1870 CONCORDIA FIRE INSURANCE CO. OF MILWAUKEE, WIS.

\$5,261,240.09	\$2,942,034.49	\$1,000,000.00	\$1,319,205.60	\$2,319,205.60
----------------	----------------	----------------	----------------	----------------

#### ORGANIZED 1886 CAPITAL FIRE INSURANCE CO. OF CONCORD, N. H.

\$724,764.95	\$733.34	\$300,000.00	\$424,031.61	\$724,031.61
<b>TOTAL ASSETS</b>		<b>TOTAL LIABILITIES</b>		<b>TOTAL NET PREMIUMS</b>
\$53,016,552.18		\$31,728,804.89		\$25,001,307.09

#### HOME OFFICES NEWARK, NEW JERSEY

PHILADELPHIA, PA.  
CHICAGO, ILLINOIS  
Western Department  
844 Rush Street  
H. A. CLARK, Manager

CONCORD, N. H.  
MILWAUKEE, WIS.  
DEPARTMENT OFFICES

PITTSBURGH, PA.  
SAN FRANCISCO, CAL.  
Pacific Department  
60 Sansome Street  
W. W. & E. G. POTTER, Managers

## LOYAL TO PRINCIPLE—TO LOYAL AGENTS, LOYAL

# Why Not Sell Greater at NO Additional Cost

**H**UNDREDS of millions of dollars of new insurance values annually being protected with automatic sprinkler systems. At this rate, it is only a matter of time until every local agent will feel the effect of this trend toward greater property protection against fire. Billions of dollars in property values are now being sprinklered—every dollar of which will affect some local agent's insurance business.

Automatic sprinkler systems are the greatest known protection against fire. Millions of sprinklers are now protecting billions of dollars of property values. Send to The National Board of Fire Underwriters, or to us, for complete statistics on automatic sprinkler efficiency in controlling fire.

Automatic sprinkler protection means much to your clients. Selling the idea of automatic sprinkler protection to your clients means more to you. *It is the height of fire insurance agency service.* Hundreds of leading local agents are selling the idea to their clients to protect their own insurance business.

An automatic sprinkler system gives your client a never failing watchman for fire. It not only turns in the fire alarm when the fire starts, but at the same instant starts deluging the fire with fire's worst enemy—water. *This watchman works twenty-four hours a day—seven days a week.*

Selling the idea of automatic sprinkler protection makes you stand out as an insurance counselor—one who

knows the insurance business thoroughly, always in the best interests of his clients. It shows you are the right man to handle the client's insurance business. It insures your own insurance business against the stiffest of competition, guaranteeing consideration in all matters on insurance.

Hundreds of agents have found that the loss in business because of the lowered fire insurance rate, is more than made up by the orders for insurance they could not have possibly secured elsewhere.

insurance lines never offered before. Agents everywhere would not be selling automatic sprinkler protection if they did not realize that it meant more profit to them than the loss of a local agent ever losing a client. They have promoted automatic sprinklers on the Phillips plan. Let us send you the coupon now and let us tell you how we can assist in selling the idea of automatic sprinkler protection to your clients.

Complete automatic sprinkler systems may be purchased on the deferred payment plan, eliminating the necessity of a large initial cash outlay. In nine out of ten cases where Fire Insurance to value with Use & Occupancy Insurance is carried, automatic sprinkler equipment will be self-liquidating in about five years. Think of it.

The Phillips Company has been installing and financing the cost of automatic sprinkler systems since 1903. It stands ready at all times to co-operate and assist local agents everywhere. Its service is complete in every detail. Send in the coupon now and let us tell you how we can assist in selling the idea of automatic sprinkler protection to your clients.

## The Phillips Company

39 SOUTH LA SALLE STREET

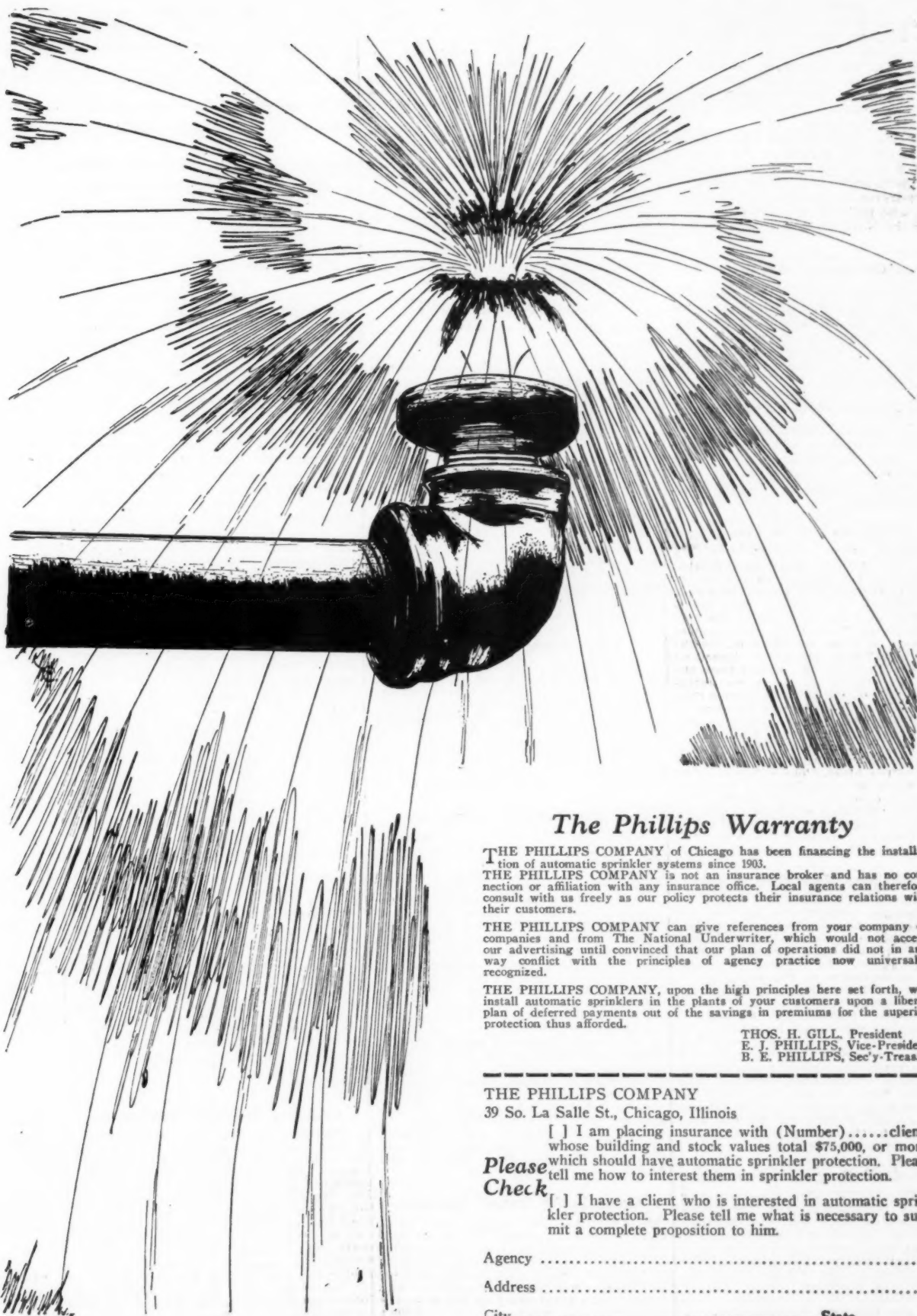
CHICAGO

ILLINOIS

### Automatic Sprinklers



# Protection Against Fire



## The Phillips Warranty

THE PHILLIPS COMPANY of Chicago has been financing the installation of automatic sprinkler systems since 1903. THE PHILLIPS COMPANY is not an insurance broker and has no connection or affiliation with any insurance office. Local agents can therefore consult with us freely as our policy protects their insurance relations with their customers.

THE PHILLIPS COMPANY can give references from your company or companies and from The National Underwriter, which would not accept our advertising until convinced that our plan of operations did not in any way conflict with the principles of agency practice now universally recognized.

THE PHILLIPS COMPANY, upon the high principles here set forth, will install automatic sprinklers in the plants of your customers upon a liberal plan of deferred payments out of the savings in premiums for the superior protection thus afforded.

THOS. H. GILL, President  
E. J. PHILLIPS, Vice-President  
B. E. PHILLIPS, Sec'y-Treas.

### THE PHILLIPS COMPANY

39 So. La Salle St., Chicago, Illinois

[ ] I am placing insurance with (Number).....clients whose building and stock values total \$75,000, or more, which should have automatic sprinkler protection. Please tell me how to interest them in sprinkler protection.

Please  
Check

[ ] I have a client who is interested in automatic sprinkler protection. Please tell me what is necessary to submit a complete proposition to him.

Agency .....

Address .....

City ..... State.....

N. U. 1-26

## CENTRAL WESTERN STATES

### ANNUAL MEETING IN DETROIT

**Michigan Fire Prevention Association**  
Scheduled for Feb. 13—Walter H. Wolf New Secretary

The annual meeting of the Michigan State Fire Prevention Association will be held at the Fort Shelby Hotel, Detroit, Feb. 13, with a banquet at 6:30 p. m. This meeting is of special importance to members as reports on the recent suburban inspection will be given out. George B. Muldaur, general agent of the Underwriters Laboratories, will be the principal speaker.

President J. J. Hubbell of the Michigan association announces the appointment of Walter H. Wolf, state agent of the Netherlands and Great Lakes, as secretary-treasurer to succeed Harden V. Tisdale, who has been called to the head office of the North British in New York City.

#### Call Special Meeting

A special meeting of the executive committee and committee chairmen has been called by the Illinois Association of Insurance Agents for Feb. 8 at Kankakee, Ill. The meeting is called for the purpose of considering a program for the coming year.

#### Wallace to Have Companies

A. C. Wallace, Illinois state agent of the New Hampshire, will take over the County and Granite State also in his field following the resignation of Thor L. Swanson, who enters the local business in Chicago.

#### Plead Breach Only if It Causes Loss

LANSING, MICH., Jan. 25.—Unless a fire results directly from such breach, a failure on the part of an assured to live up to the letter of his contract does not invalidate his coverage. The Michigan Supreme Court so ruled in the case of William H. Yearnd, administrator of the estate of Janet Kneeling vs. Northern of New York. The policy, issued on a house in Cadillac, was voided from the company's standpoint when no notification was given within the proper time limit that the building was unoccupied. In the fall of 1926 the residence was destroyed by fire but there was no evidence that the occupancy or vacancy of the house had anything to do with the origin of the blaze. The supreme court held that a Michigan statute, designed to prevent companies from avoiding responsibility through resort to technicalities which had nothing to do with the fire, governed. Judgment against the company was therefore upheld.

#### Discontinues "Guarantee" Form

LANSING, MICH., Jan. 25.—Protest by the Michigan department against the use by the Reciprocal Exchange of Kansas City, Mo., of a rider attached to fire policies stating that excess liability assessed against the assured by reason of his membership in the exchange is "guaranteed" by the Equity Fire, has resulted in discontinuance of the form on all Michigan policies, the department was assured this week by Charles M. Howell, attorney for the reciprocal. The right was reserved to open negotiations at some future time toward establishing the legality of the form. Protest was primarily based on the fact that the form was never submitted to the department although department officials also questioned an indemnity contract being assumed by a fire company.

#### Watch Land Company's Operations

LANSING, MICH., Jan. 25.—Following receipt of information from the secretary of state's office that the National Land Value Refunding Company of New York has been licensed as a foreign corporation, officials of the insurance department took action to prevent a repetition of the situation which brought about issuance of a warrant some months ago charging representatives of this New York concern with having vio-

lating the state insurance laws by accepting unauthorized business in this state.

The company got into trouble in this state before when Commissioner Livingston discovered that it had been issuing land value refunding gold bonds in connection with certain real estate contracts in the vicinity of Flint. These bonds were ruled by the attorney general's department to be virtually insurance contracts, promising that the purchase price valuation of the property involved would be maintained. As the company had made no effort to obtain a certificate of authority through the insurance department, Commissioner Livingston ordered that such operations be stopped immediately.

#### To Adjust Automobile Losses

Walter P. Cecil has been appointed automobile loss adjuster by B. A. Orr, manager of the Indianapolis branch office of the Western Adjustment. Mr. Cecil has had practical experience in the automobile business, in factories and in handling accessories which has qualified him to handle automobile losses with knowledge as to values and the cost of repairs and replacements.

#### Retain Agency for Union

It is stated that H. H. Woodsmall & Co., general agents of the Union of Indianapolis, the sale of which to the Goodrich interests was announced last week, are retaining the exclusive agency for all lines except fire for Indianapolis and Marion county. Barrett M. Woodsmall, formerly secretary of the Union and secretary-treasurer of H. H. Woodsmall & Co., is remaining on the board of directors of the Union. He is also president of the Indianapolis Fire Insurance Agents Association.

#### "Mystery" Luncheon for Blue Goose

INDIANAPOLIS, Jan. 25.—The monthly noon luncheon of the Indiana Blue Goose will be held Monday noon, Jan. 30, at the Columbia Club. Some mystery attaches to the program which is reported to involve an "extra special feature" and a good turnout is expected.

#### Hear Marine Insurance Talk

KALAMAZOO, MICH., Jan. 25.—Discussion of "Marine Insurance" by H. L. Law of the Philadelphia Fire & Marine and an interesting retrospect, "Insurance of 35 Years Ago," by William H. Pendleton, marked a dinner session of Kalamazoo Underwriters' Club last week. About 50 were in attendance, including women guests and office employees of the various agencies.

#### Detroit Agencies Incorporated

LANSING, MICH., Jan. 25.—Agency powers are included in the charters of four Detroit companies which filed their incorporation papers during the past week with the secretary of state. D. Rosenthal, Inc., is the largest of the quartet, having a capitalization of \$300,000. It is empowered to handle real estate, construction work, insurance and securities, and its incorporators are D. Rosenthal, Bessie Rosenthal and J. Shurley Kennary. Allen S. McNeil & Co. is capitalized at \$10,000. It is also empowered to do a real estate as well as an insurance business, and its incorporators are Allen S. McNeil, Sidney E. Beach, and Charles G. Dewey. Linsell-Dowber has capitalization of \$10,000, and securities and real estate can be handled in addition to insurance. Its incorporators are George W. Dowber, Arthur R. Linsell and G. W. Dowber. Trader's Exchange has a \$1,000 capitalization, its powers include realty and investment enterprises and its incorporators are Clay W. Watkins, John Murphy and Madeleine L. Milligan.

#### Grand Rapids Record Improved

GRAND RAPIDS, MICH., Jan. 25.—Grand Rapids enjoyed a notable decrease in its per capita fire loss in 1927, from \$1.99 to \$1.72, according to a report filed last week with National Board. The 17-cent per capita improvement was figured on a total fire loss for the year of \$290,830, as compared with \$312,000 total loss in 1926. The city contains

62,786 buildings protected by 12 fire stations and 18 companies, according to the report.

#### Indiana Notes

J. L. Showers is celebrating the completion of 45 years as an agent of the Ohio Farmers at Shelbyville, Ind.

The Allen-Potts Realty Company of Huntington, Ind., has filed with the secretary of state at Indianapolis a decree of court changing the name to Allen Insurance Agency. Mr. Potts, the other former member of the firm, died several years ago.

#### Illinois Notes

J. Edward Martin has become asso-

ciated with the Callender & Co. general agency, Peoria, Ill. Mr. Martin has recently been engaged in the oil burner business.

Roland Powers, field man for the Frank Reisch & Co. agency, Springfield, Ill., died Jan. 16 in a Carlinville hospital following an emergency operation for appendicitis. He was stricken while in Carlinville on business.

An entire business block at Pickford, Mich., was virtually destroyed by fire last week. The total loss was estimated at \$100,000. The block contained the Pickford grocery, Emporium dry goods store, Pickford shoe store, restaurant and barber shop. A grocery and a feed warehouse in an adjoining block also burned.

## STATES OF THE NORTHWEST

### CHURCH MUTUALS EXEMPTED

**Peculiar Provision of South Dakota Law Puts Them Outside Insurance Department Supervision**

PIERRE, S. D., Jan. 25.—South Dakota has several peculiarities in its regulations of insurance, one of these in Section 9243, enacted in 1911, which allows the members of any one church or religious denomination to maintain a mutual insurance plan covering only the members of such church or organization. Such an organization is entirely exempted from any state supervision, not being required to make any reports or be licensed by the insurance department.

This act was secured by the Mennonite Aid Society, with headquarters at Freeman, an organization created in 1882 under territorial conditions. This association carries fire and tornado insurance on property of members of the Mennonite faith, and does business in 37 states, where colonies of that faith have located after breaking away from the original colony in Hutchinson county. Outside of South Dakota and Minnesota the business is widely scattered and in small amounts, but the aggregate of its risks is approximately \$26,000,000. It carries risks on farm and town property owned by members of the church, and as well on crops or grain and farm products.

One small association at Milbank, known as the Evangelical Mutual, started as a church organization, but which has been changed to a state mutual organization, at its annual meeting showed fire and tornado risks in South and North Dakota to the amount of \$12,324,363 fire and \$11,371,168 tornado, with \$2,829,170 of new risks written last year.

#### Federation County Chairmen

MILWAUKEE, Jan. 25.—Additional county chairmen to serve on the membership drive the Insurance Federation of Wisconsin is conducting through the state include: J. A. Brooks, J. A. Brooks agency, Chippewa Falls, Chippewa county; Fred A. Holden, president Monroe County Abstract Co., Monroe, Monroe county; T. J. Tuchscher, special agent Time Insurance Co., Marshfield, Wood county; Julius Heisinger, Oconto, Oconto county; C. W. Hejda, Lindstedt-Hoffman Co., Manitowoc, Manitowoc county; Roy P. Madler, Hilbert, Calumet county; H. O. Bernhardt, secretary-treasurer Door County Abstract Co., Sturgeon Bay, Door county.

#### Considers Statement Publications

PIERRE, S. D., Jan. 25.—Commissioner Don C. Lewis has been giving consideration to the provisions of the South Dakota laws in relation to the publication of insurance statements. The law provides that a summary of the annual statement of each company shall be published in every judicial circuit of the state in which the company shall have policies issued. The statements are assigned to the legal newspapers in each district circuit as equally as possible. The cost of publishing these statements is paid directly by the companies themselves and the question is often raised as to whether or not the

benefits received commensurate with the cost, which, of course, is finally paid by the policyholders.

#### Duluth Loss Report

DULUTH, MINN., Jan. 25.—Fire losses in Duluth in 1927 aggregated \$132,000, as compared with \$622,672 the previous year, and \$634,596 in 1925, according to the annual report of Fire Chief Hansen. Three large fires accounted for a heavy proportion of the losses last year. A commercial building on West First street containing stocks of electrical supplies and drugs was totally destroyed March 24 with a loss of \$135,000. On Nov. 2 a loss of \$34,000 was sustained in a fire of unknown origin in a hoist on the coal dock of the Zenith Furnace Company. The third large fire was in the clothing and shoe stock of the Golden Chain Store on West First street Dec. 18, the loss being reported at \$32,330.

Losses to buildings were reported as \$187,547, contents \$206,435, and other losses at \$34,213.

#### Void As to Owner and Mortgagee

BISMARCK, N. D., Jan. 25.—The Supreme Court of North Dakota, in the case of C. B. Bach, executor, vs. North Dakota Mutual Fire, holds that where a mutual fire insurance policy contains a standard mortgage clause under which the loss, if any, is payable to a mortgagee and which provides that in case the mortgagor or owner shall neglect to pay the premium the mortgagee will pay the same, the contract is subject to the provisions of Section 4874 of the compiled laws of 1913, which renders void, during the period of nonpayment of premium, a policy of mutual insurance on which the full premium has not been paid in cash or notes. A policy so declared void for nonpayment of premium is void as to both the owner-member and the mortgagee.

#### Inspection of Portage, Wis.

Thirty-two field men, members of the Wisconsin State Fire Prevention Association, inspected Portage Jan. 18. They visited 171 buildings and found 144 of them, or 84 percent, defective, and there were 441 defects discovered. Harry Norton and Roy Nicholson addressed 1,045 school children on fire prevention. The inspection closed with a dinner in the evening, with an attendance of about 100. Steve Welch was toastmaster and the speakers included H. H. Niemeyer, who is both mayor and fire chief; G. A. Strasen, president of the association, who talked on the day's work and also censured Loyal Durand, Milwaukee insurance agent, for his remarks about fire prevention week, and D. O. Stine, who spoke on the "Burning Question," a fire prevention subject.

The next inspection is scheduled for Feb. 15 at Fort Atkinson.

#### Expect Big Blue Goose Attendance

SIOUX FALLS, S. D., Jan. 25.—At the mid-winter splash of the Dakota Blue Goose, to be held at Fargo, N. D., which is the custom every five years, it is expected there will be practically a 90 percent representation of the South Dakota field men in attendance and also a representation from the Winnipeg pond.

#### Plan South Dakota Inspections

The Fire Prevention Association of South Dakota is making big plans for its work in 1928. Feb. 8 has been set as the date to inspect Centerville, S. D. The association expects to carry on



many more inspections the remainder of the year.

### Wisconsin Notes

Miss Kathleen Jackson of the office staff of the Wisconsin Audit Bureau was married at Milwaukee Jan. 21 to Harry Toll, also of Milwaukee.

Sydney Perrin of the firm of W. L. Perrin & Son, New York City, general agents for Milwaukee Mechanics, visited the home office of the company last week.

Haskell Noyes, secretary of Leedom, Miller & Noyes Company, Milwaukee, has been appointed a member of the advisory council to the Wisconsin conservation commission. Mr. Noyes represents the Izaak Walton League on the council.

The Estabrook-Swanson Agency, Washburn, Wis., has purchased the business

of the Watters-Olstad Company, which is retiring from the local agency business. The latter agency was formerly owned by L. N. Clausen, and later was operated as the Clausen-Olstad Company. The Watters interests purchased it and has been operating it the last few years.

### Minnesota Notes

The Minnesota Supreme Court has upheld the conviction of A. J. Hentschel, Minneapolis, on an arson charge. He was convicted of setting fire to a building in Minneapolis.

Loss of \$50,000 was caused by a fire which originated in the C. W. Davies stationery shop, 908 Nicollet avenue, Minneapolis. Smoke and water did considerable damage to the Phillips millinery, 910 Nicollet avenue; Murphy millinery, 906 Nicolett avenue; Anderson novelty shop, 912 Nicollet avenue, and Jackson-Graves Importing Company, 904 Nicollet avenue.

## IN THE MISSOURI VALLEY

### PLAN KANSAS INSURANCE DAY

Executive Committee of Agents' Association Behind Movement—To Be Held in Wichita, Probably May 1

WICHITA, KAN., Jan. 25.—At a meeting of the executive committee of the Kansas Association of Insurance Agents, held in Wichita, it was decided to give the full support of the association to the plans for a Kansas Insurance Day, to be held probably May 1 in Wichita. The committee was given full authority to act and to cooperate with other insurance bodies. Frank M. Chandler of Chicago, vice-president of the New York Indemnity, widely known as the father of the Insurance Day idea in Indiana, and who has also assisted in launching the movement in other states, was present and discussed the plans for the proposed observance with members of the committee.

Inasmuch as Jack Spratt of Baxter Springs, a member of the executive committee, has retired from the insurance business, Frank M. Devore of Independence was appointed to fill the vacancy on the committee. It was decided that the next annual meeting of the Kansas association will be held at Pittsburgh some time in October.

The committee decided to employ legal counsel to assist the insurance commissioner in preventing the licensing of automobile dealers and salesmen to write insurance. It is understood that the department is likely to rule that automobile dealers selling cars on a finance plan including insurance would be held to be soliciting insurance without license, in violation of the insurance code of the state.

The resolution of the executive committee of the National association regarding the writing of bank burglary insurance by the secretary of the Kansas Bankers Association was approved.

### Revise State Hail Fund Rates

LINCOLN, NEB., Jan. 25.—Because of the heavy deficit in the state hail insurance fund for 1927, Commissioner Dumont has deemed the time opportune for equalizing and raising rates and re-zoning of the state. The new schedules are based entirely on experience and represent a raise to as much as 12 percent. Nine percent was the old maximum.

The new rates for the season of 1928 are: Zone 1, 3 percent; Zone 2, 4 percent; Zone 3, 5 percent; Zone 4, 6 percent; Zone 5, 7 percent; Zone 6, 9 percent, and Zone 7, 12 percent.

Commissioner Dumont's report to the governor, just filed, shows 1,265 policies issued and \$75 adjusted. Losses allowed, \$72,580. A balance on hand of \$14,843, Dec. 1, 1926, was augmented by collections of premiums of \$51,787 in 1927, and collections from previous years of \$703. This gave a fund of \$67,332. Losses were paid on an 85 percent basis, or \$61,676; office expenses, \$1,687; adjusting expense, \$2,155; miscellaneous expense, \$89, leaving a balance on hand Dec. 1, 1927 of \$1,725.

### NEW HAZARD FOR NEBRASKA

Power Companies' Move for Electrification of Farms Attracts Attention of Insurance Men

LINCOLN, NEB., Jan. 25.—The announcement of several of the big power companies that they will give a thorough tryout this year to the problem of electrification of the farms of the eastern part of the state has caused insurance men to point out that this constitutes a new fire hazard for farm dwellings. The committee made up of representatives of the wire using companies of the state says that this is true, and the telephone companies' representative on that committee warned the members of the Nebraska Telephone Association at its annual meeting this week that they must provide better protection for their subscriber stations. The high voltage carried by these wires and their proximity to telephone lines makes them a menace at all times, and this will be multiplied with the multiplication of light wires.

Mark T. Caster, plant superintendent of the Lincoln Telephone & Telegraph Company, a member of the committee, says that the carbon button now in general use is not adequate protection under the new conditions, and that insurance men should warn property owners that this is the fact. He says that protectors of the combined fuse and air gap type should be supplied to every telephone station on an exposed line. He says the public has a right to expect this from telephone companies, and that while they have been fortunate so far, the exemptions will not last, and the possibility of facing claims for heavy property damage by fire grows greater.

### Iowa Blue Goose Luncheon

DES MOINES, Jan. 25.—Madame La Vani, psychoanalyst and radio entertainer of Omaha, who is now conducting a series of lectures on psychology in Des Moines, was the speaker at this week's luncheon of the Iowa Blue Goose. She was introduced by Mrs. Robert F. Osier, wife of the head of the Iowa pond. Several visitors attended, including Ned Phelps of Burlington, veteran state agent for the North America. H. P. Simons, a new member of the Des Moines staff of the Western Adjustment, was introduced. J. K. Nelson, assistant manager of the Chicago office of the Western Adjustment, formerly manager of the Des Moines office, was also a guest.

### Keep Apparatus Inside City

ST. LOUIS, Jan. 25.—Because communities and individuals in St. Louis county failed to pay for the cost of sending fire apparatus from St. Louis over the limits line to fight fires originating in the county, Director of Public Safety Brod has issued a general order effective immediately that St. Louis fire engines must stay inside the city. Mr. Brod has estimated it costs \$50 an hour to send fire apparatus into the county. Several bills based on that figure have been ignored by benefited county property owners. One resident

OFFICE SYSTEM **The Rough Notes Co.** INSURANCE SUPPLIES  
EVERYTHING FOR THE INSURANCE MAN  
MINNEAPOLIS



## S-E-R-V-I-C-E Pays a Handsome Profit

SERVICE to your policyholders, whether large or small, builds your business on a solid, substantial basis that yields a greater profit year after year. Render a personal and appreciated service by giving each policyholder a policy file, something that he may keep his policies and valuable documents in. Your card printed on each file guarantees your receiving full advertising value for each file given out.

**No. 99, Red Tag Policy File.** This envelope is made up of exceedingly tough texture and possesses enduring wearing qualities; at the same time it is light in weight. The low price makes it an excellent advertising medium. Size, 10 1/4 in. long by 4 1/2 in. wide. Capacity, six to ten policies. Prices: 1,000 \$27.00; 500, \$14.25; 100, \$3.00; 50, \$1.65; 25, \$0.85; 12, \$0.45.

**Additional Charge for Imprinting.** Prices quoted above do not include imprinting advertising card. Cards of not more than four lines will be imprinted at the following rates: 100 or less, \$1.50; 200, \$1.75; 300, \$2.00; 500, \$2.50; 1,000, \$3.50. Imprinting of cards of more than four lines or requiring special composition, will be billed at cost. Quotations on request.

**No. 97, Expansive Policy Files.** This style has sufficient expansive capacity to admit twenty-five or thirty policies and documents. The envelope is made of tough stock, having two bands of rubber at either end for holding policies securely. A record of companies, expirations, etc., is printed on the inside of flap. Prominent space is reserved for advertising card. Size, 4 1/4 in. wide by 10 1/4 in. long. Prices: 500, \$57.00; 100, \$12.00; 50, \$6.60; 25, \$3.30; 12, \$1.60.

For Sale by

**The National Underwriter Co.**  
1362 Insurance Exchange Bldg.  
Chicago, Illinois  
429 East Fourth Street, Cincinnati  
24 Maiden Lane, Room 613, New York  
313 Iowa National Bank Bldg., Des Moines

INSURANCE OFFICE SYSTEMS SUPPLIES AND PUBLICATIONS

# 1794

# 1928

THE INSURANCE COMPANY  
OF THE  
STATE OF PENNSYLVANIA  
PHILADELPHIA, PA.

Fire—Lightning  
Tourist Baggage  
Inland Transportation  
Use & Occupancy

Windstorm  
Automobile  
Parcel Post  
Rent Insurance

Acquire  
THE OLD "STATE OF PENN"

# Directory of Leading Local Agents

The following are recommended as among the prominent and reliable agencies with good facilities for exchange and outside business.

## CONNECTICUT

**THE CASE INSURANCE AGENCY**  
solicits a share of your  
**CONNECTICUT INSURANCE BUSINESS**  
Norwich Connecticut

## KENTUCKY

**Chapman Insurance Agency**  
GENERAL AGENTS  
U. S. Casualty Co. and agents for  
leading Fire Insurance Companies  
1310 STARKS BLDG. LOUISVILLE, KY.

## NEW JERSEY

**Boynton Brothers & Co.**  
Ernest H. Boynton, President  
Fred J. Cox, Vice President & Treas.  
Roy C. Everts, Secretary  
Insurance, Mortgages and Real Estate  
87 Smith Street  
PERTH AMBOY, NEW JERSEY

## OHIO

Established 1877  
**The Davis-Woodman Co.**  
INSURANCE  
Corner Phelps and Boardman Streets  
Youngstown, Ohio

## COLORADO

**Standart & Main**  
General Agents for  
Colorado, New Mexico & Wyoming  
Patterson Bldg. DENVER

## LOUISIANA

**LEON IRWIN & CO., Inc.**  
Unexcelled Insurance Facilities  
NEW ORLEANS, LA.

## NEW YORK

**CENTRAL FIRE AGENCY, INC.**  
(Underwriting Agency)  
Risks accepted throughout the United  
States, Canada, Cuba and Porto Rico  
92 William Street, New York City

## OKLAHOMA

**THE T. E. BRANIFF COMPANY**  
Insurance Specialists  
Oklahoma City, Oklahoma

## ILLINOIS

**CRITCHELL, MILLER  
WHITNEY & BARBOUR**  
Established 1868  
Insurance Exchange Building  
CHICAGO

## MICHIGAN

**Creed & Stuart, Inc.**  
234 State Street, Detroit  
MARINE and  
GENERAL INSURANCE

## OHIO

ESTABLISHED 1870  
**The Bruner-Goodhue-Cooke-  
Cranz Agency Co.**  
General Insurance  
AKRON, OHIO  
Representing Leading Companies Only

**General Insurance  
Service Bureau**  
312 Tradesman Bank Bldg.  
OKLAHOMA CITY, OKLA.

**Eliel and Loeb Company**  
Insurance Exchange  
Chicago

**Detroit Insurance Agency**  
George J. Grau, Pres.  
Harry L. Newman, Vice-Pres.  
George W. Carter, Vice Pres.  
Louis J. Lepper, Sec., -Treas.  
Dime Bank Bldg. Detroit, Mich.

**The McINTOSH-BOWERS-WEST CO.**  
Brokerage  
Promptly Handled  
148 So. Howard St. Akron, Ohio

**American Agency Company**  
GENERAL AGENTS  
Fire and Casualty Company  
Atlas Life Building  
TULSA, OKLA.

**FRED S. JAMES & CO.**  
Insurance Exchange Building  
Chicago

**MURPHY & O'BRIEN**  
INSURANCE UNDERWRITERS  
Tenth Floor, Donovan Building  
DETROIT, MICH.

**Walter P. Dolle & Co.**  
"Insures Anything Insurable"  
Dixie Terminal Bldg.  
CINCINNATI  
Submit Your Propositions to Us

**L. N. EWING, General Agent**  
American Indemnity Company  
Commercial Casualty Co.  
Eureka Security F. & M. Ins. Co.  
Merchants Fire Ins. Co. of Denver  
National Surety Company  
United States Merchants and Shippers  
DRAWER 1500 TULSA, OKLA.

**S. E. MOISANT CO., Inc.**  
Largest Agency in Kankakee Co.  
164 No. Schuyler Ave.  
Kankakee, Ill.

Established 1875  
**Grinnell-Row Company**  
GENERAL INSURANCE  
Grand Rapids, Michigan

**NEARE, GIBBS & CO.**  
Insurance Specialists  
Fire, Marine, Life, Automobile  
Liability and Surety Bonds  
211 East Fourth St.  
Main 3466 CINCINNATI

**TENNESSEE**  
**LOVENTHAL BROS.**  
Representing Seventeen Strong  
Companies, writing every form of  
INSURANCE  
General Agents New York Indemnity Co.  
Nashville, Tenn.

## INDIANA

**THE STATE SAVINGS AND  
TRUST COMPANY**  
INSURANCE DEPARTMENT  
9 East Market St., Indianapolis, Ind.  
Complete facilities for handling all lines of  
insurance anywhere in the State of Indiana.

**MISSOURI**  
**COMMONWEALTH INSURANCE  
AGENCY**  
ST. LOUIS, MISSOURI

## TEXAS

**RICE & BELK**  
INSURANCE  
Established 1886  
HOUSTON, TEXAS

## KANSAS

**MEADE INSURANCE AGENCY**  
TOPEKA, KANSAS

**Chas L. Crane Agency Co.**  
Underwriters in All Branches  
Thoroughly Trained Engineers  
Representing the Largest Leading Companies  
Eleventh Floor Pierce Bldg.  
St. Louis, Mo.

Established 1899  
**FRANK J. MACKLIN**  
FIRE INSURANCE  
306-10 Citizens Bank Bldg.  
COLUMBUS, O.

**F. W. Offenhauser & Co.**  
Established 1882  
General Insurance  
Texarkana - Texas - Ark.

**WHEELER KELLY AND  
HAGNY COMPANY**  
Wheeler Kelly & Hagny Bldg.  
Wichita, Kansas

**Lawton-Byrne-Bruner**  
INSURANCE  
Saint Louis

**THE C. F. MEDARIS CO.**  
Loans - Insurance  
Surety Bonds  
610 Gardner Bldg. Toledo, Ohio

**VIRGINIA**  
Established 1880  
**JAS. T. CATLIN & SON CO., INC.**  
Insurance  
Masonic Bldg. Danville, Va.



## Leading Local Agents

### WEST VIRGINIA

#### DeVan & Company INSURANCE

201-202-203-204 Union Bldg.  
Charleston-Kanawha, W. Va.  
Experienced and Expert Attention to  
Brokered Lines. All Leading Companies.

### WEST VIRGINIA

#### LEE C. PAULL INSURANCE Wheeling, W. Va.

Engineering Dept. Brokerage Dept.  
J. E. Brown O. W. Linde  
W. Va. Brokerage Solicited

### WISCONSIN

#### Chris Schroeder & Son Co. 86 Michigan St. MILWAUKEE

Engineering Service—All Lines  
The largest insurance agency in the  
State of Wisconsin

FOUNDED 1876

#### Patterson, Bell & Crane Co. INSURANCE and BONDS CHARLESTON, WEST VIRGINIA

Beginners' services and Underwriting  
Facilities for W. Va. Lines.

#### J. F. Paull & Company GENERAL AGENTS

Rooms 508-9-10 Board of Trade Bldg.  
Wheeling, W. Va.  
Ohio, Pennsylvania and West Va.  
Business Solicited.

#### Carpenter & Rowland

612 Main St. RACINE, WIS.

## Great American Insurance Company New York

Choose  
Your  
Company

Choose  
Your  
Company

INCORPORATED - 1872

STATEMENT JANUARY 1, 1927

CAPITAL

\$12,500,000.00

RESERVE FOR ALL OTHER LIABILITIES

23,110,445.67

NET SURPLUS

17,628,138.96

ASSETS

53,238,584.63

SURPLUS FOR THE PROTECTION OF POLICY HOLDERS

\$30,128,138.96

LOSSES PAID POLICY HOLDERS

\$185,174,967.15

WESTERN DEPARTMENT

310 South Michigan Avenue, CHICAGO, ILL.  
C. R. STREET, Vice-President

### The Hampton Roads Fire and Marine Insurance Company

NORFOLK, VIRGINIA  
ON HAMPTON ROADS

Western Department: 1415-222 W. Adams St. Chicago, Illinois

### REINSURANCE TREATIES

#### WE ACT

As an intermediary, for and on behalf of our Insurance Company clients only, in negotiating RE- and EXCESS Fire and Casualty treaties of all kinds—UNUSUAL and miscellaneous Special Form policies for individuals and corporations—with London Lloyds and large American stock companies.

## L. A. Wiweke & Co.

(Pronounced: Wee-wick)

175 W. Jackson Blvd., Chicago

sent a bill for \$112 sent the city a check for \$50 refusing to pay more. A total of \$600 is now due from residents of the county.

### Iowa Mutual Raises Assessment

At the annual meeting of the Danish Mutual of Cedar Falls, Ia., because of the heavy losses sustained in the rural sections it was voted to make the assessments in the country districts upon a basis of 60 percent and in the city upon a basis of 40 percent. The losses in 1927 amounted to \$12,979, which was the heaviest in the history of the company.

### Wants Change in Hail Schedule

TOPEKA, KAN., Jan. 25.—Commissioner Baker has asked the companies writing hail insurance in this state to make a modification of an indorsement provision in the 1928 schedule before the schedule is approved by the department. The other sections of the schedule are in accordance with the agreement reached two weeks ago.

The new provision is that on insurance of vine crops, cantaloupes, strawberries and similar crops in event the insurance is written only one-third coverage is to apply for 30 days and two-thirds coverage is to apply for the next 15 days. There is no corresponding reduction in premium for this reduction in coverage and the department believes there should be a reduction in the premium when the insured does not get full protection for the entire period.

The companies have been notified that all the other sections of the new schedule, including the increased rates, are ready for approval and that the rider itself will be approved with a modification to provide that there shall be a corresponding decrease in premium for the decreased coverage provided by the rider.

### To Revise Rule

SIOUX CITY, IA., Jan. 25.—At the meeting Friday of the Sioux City Fire & Casualty Underwriters, a committee was appointed, consisting of Paul Barber, T. M. Prall and H. P. Pratt, to prepare an amendment to the present rule regarding the establishment by insurance companies of dual agencies in Sioux City. The intent of the present rule is to enforce the sole agency practice, but it is claimed the wording is ambiguous. Some members favor a more liberal attitude.

### Good Addresses at St. Louis Meeting

ST. LOUIS, Jan. 25.—The monthly meeting of the Associated Insurance Agents & Brokers of St. Louis was held Jan. 19, Louis F. Yeckel presiding. Jesse Barrett, counsel for the association, gave a very interesting talk. There were 45 members present and nine new members admitted at this meeting.

Mr. McKuhn, the newly appointed state inspector for building and loan associations of Missouri, was also a guest and gave a talk on building and loan association conditions. Mr. Cox, manager of the rating department of the Missouri Inspection Bureau, spoke on promulgating rates on various kinds of property, and also on general hazards. He expressed the hope that the fire losses for Missouri in 1928 would be the lowest of the Union.

### Miss Doling Weds

Miss Louise Doling, daughter of State Agent O. W. Doling of the Liverpool & London & Globe in Kansas, was married recently to John H. Amis at Arkansas City, Kan. Miss Doling has for the past three years been the assistant secretary of the Kansas Fire Underwriters' Field Club.

### Rogers in Kansas City

KANSAS CITY, MO., Jan. 25.—Harry K. Rogers will be in Kansas City for two weeks beginning Feb. 6. During that time he will present his "Smoky, the Fire Clown" act in about 40 schools, under the auspices of the Kansas City Safety Council.

### Special Blank for Rural Schools

A special inspection blank for rural schools has been devised by Rosse Case, chairman of the farm committee of the Kansas State Fire Prevention Association, in cooperation with the fire prevention department of the Western Actuarial Bureau. The idea in connection

with the new blank is that certain selected field men covering their territory by automobile can inspect rural schools located along the highway they are traveling. The blank has been especially designed to cover the hazards peculiar to a small country school.

### Lincoln Losses Set Record

LINCOLN, NEB., Jan. 25.—Fire losses in Lincoln in 1927, Chief Hansen reports, were the heaviest in ten years. The insurance loss was \$409,867, as compared with \$64,000 in 1926, \$306,000 in 1925, \$98,000 in 1924, \$201,000 in 1923, \$58,000 in 1922, \$86,000 in 1921 and \$307,000 in 1920. Three-fourths of the losses occurred in the widely separated months of January and November, which, aside from December, reported the most alarms. Twenty-three were sprinkler alarms. Buildings where fires were located included: Frame, 317; brick, 133; stucco or stone, 28. Value of buildings involved, \$1,249,000; value of contents, \$524,000; loss to buildings, \$140,386; loss to contents, \$269,000.

### Kansas Blue Goose Luncheon

TOPEKA, KAN., Jan. 25.—The regular noon luncheon of the Kansas Blue Goose was held in Topeka Monday, 40 members being present. C. W. Moore was chairman. Rosse Case, chairman of the farm department of the Fire Prevention Association, was present and stressed immediate action on farm inspections and also inspection of and addresses to the rural schools, which can not be reached by the regular fire prevention inspection.

### Central States Safety Congress

KANSAS CITY, MO., Jan. 25.—The Central States Safety Congress will meet in Kansas City April 23-25. This is the second consecutive meeting of the congress to be held in this city. The fire prevention committee of the Kansas City Safety Council is now considering plans for having a fire prevention division included in the program of the Safety Congress.

### Maring Speaks at St. Joseph

Wilbur P. Maring, Jr., secretary of the Insurance Agents Association of Kansas City, spoke at the regular meeting of the St. Joseph Board Jan. 20. Mr. Maring told of the work of the local board in Kansas City, at the request of the St. Joseph organization.

### Will Inspect Farm Homes

An innovation in the matter of spreading the gospel of fire prevention in rural communities and one that might be adopted by other state associations, is being inaugurated by the Nebraska State Fire Prevention Association. W. A. Bucklin, chairman of the farm committee of the association, has arranged for an inspection of farm homes within a radius of ten miles of Minden on Jan. 25, the day the city is to be inspected by the state association. The inspection of the farm homes will be effected by means of farm home inspection blanks in the hands of pupils of the rural schools. Mr. Bucklin is planning to put on a number of similar inspections in other rural communities during the coming months in connection with the inspection of towns and cities by the state association.

### Divide State for School Inspections

Hohman Mann, chairman of the public buildings committee of the Missouri State Fire Prevention Association, has divided the state into two sections, eastern and western, with the latter under his own supervision, and the eastern section in charge of Vice-chairman R. V. DeHaven. This plan was acted favorably upon by the committee itself at the time of the recent Nevada inspection. Hereafter, members of the Fire Prevention Association will inspect schools in their territory, in addition to their regular work, as the opportunity is presented. Under this plan, it is felt that a number of schools can be inspected that otherwise would not be until a regular town inspection was being made.

### Tindall District Chairman

Clyde L. Tindall, state agent of the Fire Association, has been appointed district chairman in Nebraska of the contest committee of the inter-chamber

fire waste contest conducted by the National Fire Waste Council, under the auspices of the Chamber of Commerce of the United States.

#### Iowa Notes

P. H. Peterson and H. A. Glackemeyer have dissolved their insurance and real estate partnership at Villisca, Ia. Mr. Glackemeyer retains the insurance interests of the firm.

J. J. Shepard, who has been manager of the insurance department of M. V. Bolton & Co., Cedar Rapids, Ia., for the past three years, has purchased the insurance business of the firm and will conduct it under the name of the Shepard-Bolton agency.

#### Nebraska Notes

Fire Jan. 19 destroyed completely the municipal lighting plant at Oconto, Neb., and damaged the McNulty garage adjoining. Backfire of an engine started the blaze. The plant had undergone repairs and had been in service but two days. Transmission lines from Lexington supply the town with current for the time being.

Fire at Crawford, Neb., on Jan. 18 caused a loss of \$35,000, with insurance estimated at \$22,000. The local grain elevator, the Chevrolet garage, a residence and a car of dried fruits burned.

Loss of \$15,000 was caused by a fire

that gutted the Western Hotel at Alliance, Neb., starting from a leaky oil burner. The insurance is \$12,000. Fifteen regular tenants of rooms lost several thousand dollars of their effects, upon which there was no coverage.

#### Missouri Notes

The Remsbecher Realty Company of St. Louis has been named a No. 2 agent for the Buffalo, Northwestern National and Firemen's of New Jersey.

W. D. Gibbs, formerly a vice-president of the Federal Land Bank in St. Louis, has joined the Mercantile Insurance Agency of that city. He has a substantial interest in the agency.

William J. Brockmeyer, until recently treasurer of the Mound Coffin Company of St. Louis, has entered the insurance business and been appointed a No. 2 agent for the Northern of New York. His business will be supervised by William H. Markham & Co.

#### Kansas Notes

The Kansas Fire Prevention Association has arranged for an inspection in Great Bend Feb. 8.

The women's auxiliary of the Kansas Blue Goose has made plans for a dinner dance at the Topeka Country Club Feb. 4, at which a large attendance is anticipated.

## STATES OF THE SOUTHWEST

### TEXAS REGIONAL MEETINGS

#### Good Attendance of Agents at Gatherings Held at Amarillo and Mineral Wells—Protest Fitzgerald Bill

About 75 insurance men met at Amarillo, Tex., Friday for the regional meeting of the Texas Association of Insurance Agents, which was conducted by George Williams, regional vice-president. Commissioner T. M. Campbell, President Fred M. Burton of Galveston and Secretary-Treasurer D. G. Foreman of Fort Worth were present, as was C. H. Walton of Fort Worth, who is a director of the state association. Insurance men from 53 Panhandle, plains and northwest Texas cities sent telegrams urging Texas congressmen to oppose the Fitzgerald bill and to support the Underhill bill now before Congress, since the effect of the Fitzgerald bill would be to put the federal government into the compensation insurance business.

The regional meeting at Mineral Wells was also highly successful in impressing on the agents the desirability of belonging to the state association. Dick Beeler of Mineral Wells, regional vice-president of the state association, presided at the conference with Commissioner Campbell, President Burton and Secretary Foreman of the state association present. Visiting delegates were entertained at luncheon by the local chamber of commerce.

#### School Losses in Texas

There have been numerous school fires the last three months in Texas. Cravens, Dargan & Co., general agents at Houston, have sent to the trustees of 2,100 school houses that the firm has on its books and to all its local agents a letter pointing out some of the school house hazards and showing how the major ones can be corrected. Bad housekeeping, Cravens, Dargan & Co. declare, is responsible for most of the school fires. Losses can be traced to defective flues, stove pipes, trash in closets and out of the way places, defective lighting systems and carelessness or defects in the heating system.

#### Issue New Texas Schedules

AUSTIN, TEX., Jan. 25—The State Insurance Board has completed and mailed the specific schedules of 10 Texas towns which had recently been rerated. No changes of key rates are carried in any of the new schedules, which are for the following places: Anderson, Berclair, Charlotte, Chilton, Corrigan, Milano, New Waverly, Pendleton, Travis and Thurber.

### HOLD COMPANY RESPONSIBLE

#### Texas Department Says Penalty Will Be Assessed for Rebating or Other Violation of Law by Agent

AUSTIN, TEX., Jan. 25.—Insurance companies doing business in Texas will hereafter be held strictly responsible for actions of their agents in securing business, R. B. Cousins, Jr., chairman of the board of insurance commissioners, announced this week, sounding a warning to companies against unscrupulous agents.

All violations of insurance laws committed by these agents will not only result in action against such agents, Mr. Cousins declared, but the companies employing them will also be held responsible and penalties for violating the law will be assessed on both.

Rebating of premiums, failure to make an endorsement required by statute on policies, and unfair methods of dividing commissions with agents on fire policies were all scored by Mr. Cousins in his notice to all companies that such practices are clear violations of the law and agents as well as companies will be held responsible.

#### What Department Says

The notice sent out by the department says in part:

If an agent, in order to secure business, rebates the premiums, the agent has violated the law, but we feel that the company has also violated the law and is subject to whatever penalty the law provides for that offense. Similarly, whenever an agent in the handling of any policy, whether life, fire or casualty, fails to make an endorsement required by the statute or by the order of this commission, or violates any other provision of the statute, this department will hold the insurance company responsible for the violation. With particular reference to fire insurance companies and agents, it has come to the attention of this department that many local agents request the companies to procure a license for a property owner or for an employee of a business concern in order that they may handle the insurance of such individual property owner or business concern and pay a part of the commission back to such property owner or business concern under the guise of dividing commissions with an agent. This we regard as a pure rebate and, when we discover the practice, we will hold the company responsible for violating the law.

#### Should Investigate Agents

The companies have the facilities for investigating the standing and character of the agents whom they appoint. This department does not have such facilities. If the companies, through mis-

fortune or carelessness, make selection of agents who will be guilty of violations of the law, the responsibility of such erroneous judgment, carelessness or mistake must fall upon the company and the consequences thereof must be borne by the company. It will not any longer be an excuse in this office for a company to say, in explanation of a violation of the law, that the violation was committed by an agent.

We desire to be distinctly understood that the companies must be responsible for the selection of their agents. Many of the ills and evils of the insurance business come about through the activities of irresponsible agents and the companies could just as well discover irresponsibilities in advance as subsequently. We trust that this will be borne clearly in mind when requisitions are made for the licensing of agents for the ensuing year.

We feel that no company should appoint any agent without full knowledge of the agent's qualifications and past experience and, particularly, his record with other companies. It may entail some effort to get the information necessary to fill out the requisition for agents' licenses which we have sent out to you, but no company should ever ask for a license without knowing these things about the agent.

#### Opens El Paso Office

The Wilson-Krueger Adjustment Company of Denver, Colo., and Albuquerque, has opened a fully equipped office for west Texas and New Mexico in the Two Republics Life building, El Paso, Tex., with Mark P. Conley as manager and is in the field for adjustment of all lines.

#### Murray Heads Membership Drive

OKLAHOMA CITY, Jan. 25.—John A. Murray of Altus has been appointed chairman of the membership drive committee of the Oklahoma Association of Insurers, it is announced by M. E. Williams, president. An extensive campaign is to be launched immediately by the association in an effort to induce every local agent in Oklahoma to become a member. The president further announced the prospective calling of a meeting of members who live on the eastern side of Oklahoma in February, the place and definite date to be announced later. This meeting will be the forerunner of regular regional meetings throughout the state he said.

President Williams further announced that plans of the public relations committee, under the chairmanship of John J. Moffatt of Muskogee, are about ready and that great activity in this line is on the 1928 program.

#### Texas Tax Ruling

AUSTIN, TEX., Jan. 25.—An opinion by the assistant attorney general advises that in making its return for taxation, an insurance company may deduct any debts it owes, but is not allowed to deduct its indebtedness from the value of real estate or other personal property; also that in determining the taxable assets, the value of shares of stock in domestic corporations which list and return their capital and property for taxation may be deducted by the company.

The request for the opinion states that a fire insurance company lists admitted assets at \$1,500,000, from which it deducts \$600,000 for its reserves and real estate assessed at \$220,000, which under the statute is deductible. In addition the company is claiming \$200,000 deduction for vendor's liens against the real estate.

The answer was that the \$200,000 indebtedness may only be deducted from its credits or debts owing to it in fixing the taxable assets and can not be deducted from the value of the real estate or personal property.

#### Joins Reinhardt, West & Co.

DALLAS, Jan. 25.—L. G. Spillman, for the past 13 years with Cravens, Dargan & Co. at Houston, is now with Reinhardt, West & Co. of Dallas. For the past nine years Mr. Spillman was in charge of the hail department of the Houston agency in the Panhandle district. Mr. Spillman is moving from Amarillo to Dallas and will divide his time between office and field work in his new connection.

#### Farm Fire Prevention Meetings

OKLAHOMA CITY, Jan. 25.—The fifth successful farm fire prevention demonstration was conducted by the Oklahoma

Fire Prevention Association at the Putnam Consolidated School No. 1. The playlet, "Trial by Fire," was presented in addition to two moving picture reels on prevention work. A comedy was also shown. Each farmer was presented with a book entitled "Safeguarding the Farm Against Fire." Of the 450 people present, 90 percent were farmers, according to James A. Atkinson, secretary.

The association also conducted an inspection and fire prevention demonstration at Bethany, with Mr. Atkinson and W. S. Eberle, president, as key speakers. In February meetings will be held at Tipton, Grandfield and Frederick.

#### Companies Licensed in Texas

AUSTIN, TEX., Jan. 25.—Licenses in Texas were issued this week to the Reinsurance Company of America, New York, and the Allied American Mutual Automobile of Boston. Sam P. Cochran of Dallas was named general agent of the first company and John B. Walker of Dallas for the mutual.

#### Continue Educational Program

OKLAHOMA CITY, Jan. 25.—The continuation of the educational program presented last year to the Associated Fire & Casualty Underwriters of Oklahoma City was decided upon for the 1933 meetings. M. E. Williams, president of the Oklahoma Association of Insurers, was present at Saturday's meeting and made a short talk on the progress of the state association, and the value of organization to the better conduct of the insurance business in general.

In discussing what 1927 brought to Oklahoma, the state president said that in his opinion premiums on fire insurance had been reduced, but had increased on casualty and bonds. He said that insurance generally is in far better condition from the standpoint of the agent and the companies than it had been for many years.

#### Oklahoma Notes

C. T. Ingalls, manager of the Oklahoma Inspection Bureau, is in New York attending the National Board fire protection meeting.

M. E. Williams of McAlester, president of the Oklahoma Association of Insurers, spent several days last week in Oklahoma City.

The city hall at Oklahoma City has been condemned by W. S. Eberle, president of the Oklahoma Fire Prevention Association, as a fire trap.

Herbert Heiman of the Al Heiman agency Oklahoma City was appointed to the subcommittee of the Chamber of Commerce aviation committee to formulate and execute plans for the celebration of the installation of night air mail schedules through Oklahoma City.

Contracts have been let for \$500,000 for extensions in the waterworks system of Ada, Okla., and mains will be enlarged immediately and a new large flow line laid to the source of the city's supply at Byrd's Mill Springs, 14 miles south of Ada.

Miss Catherine Head of Oklahoma City died last week from pneumonia. She was the daughter of H. B. Head, state agent for Gross H. Scruggs & Co. in Oklahoma and a sister of Arthur Head of the Neff-Head Agency, president of the Associated Fire & Casualty Underwriters of Oklahoma City.

Fire starting in the Eagle Cafe at Avant, Okla., wiped out a business block on the east side of Main street entailing loss of \$30,000, a rough estimate reveals. Among the business houses destroyed are the Avant hotel, Eagle cafe, Lon's grocery store and an empty hotel building.

#### Texas Notes

Fire destroyed the Britton Glen Hamlin, Tex., Sunday morning, with loss of \$34,000. Insurance of \$12,000 was carried.

The Woolridge Lumber Company at Memphis, Tex., suffered the loss of 15 yards valued at \$30,000 by fire which menaced the entire business section of the little city.

The entire business section of Bristol, Tex., was wiped out by fire Sunday when five business establishments were destroyed with loss of \$40,000, fully covered by insurance.

The home of Samuel E. Dunham, local agent at Quinlan, Tex., was destroyed by fire early Friday with loss of \$4,000, which was only partly insured, in spite of Mr. Dunham's business.

The Harvester Life and the Gulf Fire of Dallas, companion concerns, are now in new quarters. The companies are occupying the entire tenth floor of the Insurance building. George W. Jalonick, Jr., is president of both companies.

Fire of undetermined origin Friday night destroyed most of the three-story building and contents of the several business houses occupying the premises.



at Bryan and Peak streets, Dallas, with loss estimated at more than \$100,000. Perry M. Wimberly, who has for a number of years been connected with the Texas Employers of Dallas, has

opened a general insurance office in the Dallas National Bank Building, to be called the P. M. Wimberly Insurance Agency, and will handle general insurance, specializing in surety business.

## IN THE SOUTHERN STATES

### MONROE HIT BY POLITICS

Deputy Insurance Superintendent of Alabama Is Retired from Office by the Authorities

Walter H. Monroe, deputy superintendent of insurance of Alabama, has been given notice that his connection with the department will be severed on or before March 1. This is done under order of Governor Graves. Politics evidently is entering very largely into the Alabama department.

Superintendent George H. Thigpen served the notice on Mr. Monroe. He will be succeeded as deputy superintendent by R. P. Coleman, who has been in charge of the workmen's compensation department and who served as deputy commissioner during the administration of Governor Brandon. He was succeeded by Mr. Monroe early in 1897. Roy Thigpen, son of Superintendent Thigpen, will succeed Mr. Coleman, it is understood, as head of the compensation department. Mr. Coleman is a brother-in-law of Oscar L. Tompkins of Dothan, Ala., one of the administration floor leaders in the House. Mr. Monroe is regarded as a very competent man and the insurance people regret to see him leave the department.

In stating that he had been dropped from the departmental staff, he said that he had no plans for the future. Mr. Monroe was an ardent supporter of Governor Graves' candidacy and his promotion to deputy superintendent of insurance at the beginning of the present administration was regarded in the light of recognition of Mr. Monroe's support of Gov. Graves.

### Nashville Board Reelects Officers

The Nashville Board held its annual meeting last week. The report of the president and secretary showed many activities during the year for the betterment of the business. The old officers were reelected: W. Dudley Gale, president; L. B. Corley, vice-president; William Winter Lyon, secretary-treasurer; Irvine G. Chase, trustee. The executive committee will consist of Henry Clunan, Baile Gross and C. B. H. Loventhal.

### Florida Mid-Winter Splash

The Florida Blue Goose has definitely set the dates for the annual mid-winter splash as March 1-3. They had been tentatively set for Feb. 16-18. Most Loyal Grand Gander T. L. Geraghty has told the Florida ganders that if he possibly can, he will attend this affair.

### PLANS COMPLETE FOR MEET

Commissioner Luning Will Attend Regional Agents Meeting at West Palm Beach, Fla.

WEST PALM BEACH, FLA., Jan. 25.—B. D. Cole, chairman of the local committee for the regional agents meeting to be held here Jan. 28, and President Orlo Hamlin, have completed the general program. The leading features will be J. C. Luning, Florida commissioner, and Charles L. Gandy, of Birmingham, member of the national executive committee. Plans of assembling the hosts have been worked around key men in each community and reports indicate an attendance from practically every town from Cocoa to and including Miami. The sessions will be purely business.

### Reciprocal Question Uppermost

Though much time will be given the general question of agency organization, the irritating competition of reciprocals will be at the front and crying for attention every moment. During the depressed period in Florida this form of "cheap insurance" has been able to secure a lot of business because of a false idea of economy. The ease with which this has been done has added to the activity of the old exchanges, and caused some entirely new ones to spring up. The commissioner of insurance will be urged to do whatever it is possible to be done about it.

The last legislature passed a law requiring a reciprocal writing automobile coverage to have for the payment of losses at least \$100,000, and \$50,000 if it write lines other than automobiles; also that reserves be set up on gross deposits without deducting for expenses. While this is applicable to new exchanges old ones have until Dec. 31, 1930, to get under it, and the commissioner has authority to extend this to 1932 if he thinks it impossible for them to comply and considers it good judgment to do so.

### Successful Meeting at Orlando

So much has been made of the fact that the power of attorney given the attorney in fact is practically a blanket permission to do for signers what he sees fit, some of the exchanges are writing policies without it. This has been called to the attention of the commissioner, and seems to be important because the policies set out that they are issued on the application made.

The very successful regional meeting held a few days ago at Orlando has been taken to mean that this is a quick way to arouse interest in state and National

## The Answer to your Record Problems (and in one book!)

THE answer to your prayer—an insurance bookkeeping system requiring no knowledge of bookkeeping, a minimum of time to keep all in ONE BOOK. Such is the UTILITY. No other system is as complete, efficient and low-priced! Answers all your and your clients' questions in a moment's time.

How much insurance have I (or we) written in one month, day or year? How much insurance have I (or we) placed and with what companies? How many customers have I and when did they last take insurance?

### A COMPLETE INSURANCE BOOKKEEPING SYSTEM

Answers All Questions At A Glance!

Only \$15.70 Complete

EXAMINE THIS AMAZING SYSTEM! AT OUR EXPENSE!

How much do they owe or have they paid? How much money have I received today, this month or last year? How much money have I paid out? Such questions as these—vital ones to the live, growing agent are answered quickly and accurately by the UTILITY. Think of it! Every record needed in your business in a Single Book! At your finger tips a picture of your entire business—income—expense—where policies are placed—and policyholders' information.

You must see the outfit to appreciate its class and value to you. Send the coupon below for this complete outfit—on approval.

Here is what Messrs. Steele, Powell & Horton of Binghamton, N. Y., say:

"Your forms are set up in splendid shape and clearly indicate that you have a complete knowledge of just what is needed in keeping an accurate record of the transactions of an insurance agency without involving unnecessary duplication of effort."

## Accurate Loose Leaf Co.

81 NASSAU ST.  
NEW YORK CITY

Accurate Loose-Leaf Co., 81 Nassau Street, New York City, N. Y. Gentlemen: With the understanding that there is no obligation to purchase please send me the Utility Bookkeeping System on three days' approval. If I decide to keep the System I will send my check for \$15.70 to cover the entire cost. If I decide not to keep it I will return the System immediately.

Name.....  
Street.....  
City.....State.....

## The LIBERTY INSURANCE COMPANY

HOME OFFICE DAYTON, OHIO

Automobile Insurance—Full Coverage—All in One Policy  
Plate Glass, Liability and Accident Insurance  
Capital Stock \$250,000—Assets Over One Million  
Surplus to Policyholders Over Half Million

Agents wanted in Ohio, Missouri, Kentucky, Michigan, Tennessee, Kansas, Indiana, Alabama and Florida.

J. R. Jones,  
Sec'y & Mgr.

## DETROIT NATIONAL FIRE Insurance Company

231-233 John R. Street, DETROIT, MICHIGAN  
GEO. K. MARCH, President and Gen. Mgr. WYNN C. GEROW, Secretary  
JAS. M. TEAHEN, Treasurer M. E. BLACK, Assistant Secretary  
ROBERT R. BUCKNELL, Assistant Secretary

Organized 1867

## WHEELING FIRE INSURANCE CO. WHEELING, WEST VIRGINIA

Capital \$200,000.00  
Surplus to Policyholders \$380,507.56

O. E. STRAUCH, Secy. WM. V. FISCHER, Asst. Secy. C. W. VOELLGER, State Agent  
SAFE SOLID SOUND

## ROYAL EXCHANGE ASSURANCE

## THE STATE ASSURANCE CO., LTD.

## PROVIDENT FIRE INS. CO.

Fire and Automobile Lines

## CAR AND GENERAL

INSURANCE CORPORATION, LTD.

Automobile, Liability and Plate Glass

95 Maiden Lane

New York

association work. There were present 30 agents from Orlando and surrounding towns and every one not already a member of the state Association joined and sent in checks for dues. Vice-president O. E. Freeman, of the state association, and Director Hervey W. Laird were at Orlando, and Mr. Freeman wrote President Orlo Hainlin that the holding of these meetings will greatly strengthen the state Association.

#### KENTUCKY BILLS WATCHED

##### One Prohibits Companies from Entering Into Agreements Regulating Agents' Commissions

LOUISVILLE, Jan. 25.—The Kentucky general assembly now in session has several bills before it which are creating interest for the companies.

One of these bills proposes to prohibit fire companies from entering contracts or agreements to establish rates for the regulation of compensation paid to agents.

This bill is sponsored by agents of the Covington-Newport section, Kenton county district, which have enjoyed higher commissions, as excepted cities, account of competition from Cincinnati.

A section devoted to rate making in the bill would prevent companies and agents from agreeing on rates. This is aimed at the Actuarial Bureau, and established rates. However, there will always be rate making as a guide to agents, and it would not be necessary to agree to anything, other than use the published rates. This bill, if enacted, would either knock out, or conflict with present laws, regulating methods of rate making. No section of it appears to be especially dangerous, other than that it has been referred to the committee of the house on insurance, fire and marine. D. W. Fowler, a Louisville insurance man, is a member of that committee.

#### Tobacco Insurance Active

LOUISVILLE, Jan. 25.—Although the 1927 crops of tobacco in Kentucky were much smaller than normally, quality has been good and on the basis of supply and demand, tobacco has brought excellent prices. The result is that with a short crop there is more insurance involved this year than last and local agents in various sections are fairly busy, plus the general agents and those writing general coverage contracts.

#### Recktenwald Buys Agency

William J. Recktenwald, who for five or six years has been located at Lexington, Ky., handling for Reutlinger & Co. of Louisville their tobacco pool general coverage business, has purchased the Lawwill & Norwood agency. Messrs. Lawwill and Norwood will continue with the agency as solicitors. Mr. Recktenwald has had considerable experience in insurance, having been with the Kentucky Actuarial Bureau for some years and later was with the Oklahoma Inspection Bureau before returning to Louisville. The tobacco pool is not functioning, has sold its tobacco holdings and hasn't any present need for an insurance specialist.

#### Pay Chief Tribute

Fire losses for Augusta, Ga., in 1927 were among the lowest of any city in the south. In appreciation of the work of Fire Chief John B. Kennedy, the Augusta Board of Underwriters published a full page "ad" in the local newspaper. In the center was an editorial commending the splendid work, and along the border were the cards of the various agencies.

#### Bill Would Make Valuation Rule

A bill to make illegal issuance of insurance either in one or more policies by one or more issuing agencies to a total amount more than three times the property valuation as returned for taxation on the previous tax return was introduced in the South Carolina senate last week by Senator J. E. McDonald. Under the bill, claims of the insured for property loss on any excess amount of insurance would be null and

void. The amount of such excess insurance nullified would be prorated among the several policies if more than one existed. Also, according to the bill, the excess insurance could be retained only in the event the valuations for assessment were revised to a figure not less than one-third the total amount of insurance carried.

#### Opens School for Janitors

NASHVILLE, TENN., Jan. 25.—The Nashville board of education has opened a school for janitors, so that they may be taught how to fire and treat a furnace. This is being done in the evenings, the board hoping that it will serve two purposes, one to keep down the volume of smoke generally emanating from a furnace when a fire is started, also to prevent overheating and consequent fire hazard therefrom. It is well known that when the severe cold weather arrives, which comes in the shape of "cold snaps" in the south, an ignorant janitor in order to meet the emergency overheats the dwelling and causes frequent fires.

#### State Fund Bill in Virginia

RICHMOND, VA., Jan. 25.—A bill has been introduced in the Virginia legislature providing that the state carry its own insurance on its public buildings. It calls for an appropriation of \$200,000 for the next two years to go toward the creation of a state fund of \$1,000,000. Policies already in force would not be affected if the bill becomes a law, but upon their expiration they would be dropped. The fund would be administered under supervision of the commissioner of insurance, according to provisions of the bill. The state is now paying approximately \$65,000 a year in premiums for insurance on its buildings. According to figures compiled by the Chandler rate-probing commission, fire losses on these buildings averaged \$20,000 annually for the 20-year period from 1907 to 1927.

#### Fired Store, Can't Get Insurance

RICHMOND, VA., Jan. 25.—Max Heller is not entitled to recover on a policy issued by the American Alliance on his clothing store at Elkton, Va., which burned in 1922, the Virginia Supreme Court of Appeals holds, affirming judgment of the circuit court of Rockingham county. Heller brought suit for recovery after serving two years in the penitentiary for burning the property. The court had held in a previous case against the Eagle, Star & British Dominions, growing out of the same fire, that in no event was he entitled to recover inasmuch as he had been convicted of firing the store.

#### Virginia Notes

The fertilizer plant of A. S. Lee & Co. at Norfolk, Va., burned last week. Companies suffered an estimated 50 percent loss on stock on a schedule of \$35,000. There was a total loss on a \$35,000 schedule on buildings and machinery.

The city of Richmond is concluding arrangements for the leasing of the water supply in the Chesapeake & Ohio canal at a nominal cost. This will enable it to triple its water supply and eliminate the danger of a water shortage such as occurred during the drought of 1925.

#### Georgia Notes

Henry M. North, Jr., former special agent for the Great American group in Georgia, is now associated with his father, H. M. North, Sr., in his local agency at Augusta.

Several new agencies have entered the insurance business in Augusta, Ga., recently, among them being J. Milo Hatch, representing the Maryland, and Busbia Realty Company, East & West.

#### Kentucky Notes

J. F. Donica, secretary of the America Fore group, Chicago, was in Louisville last week for a visit with the field men of the group there.

Fred O. Nuetzel, Louisville, former county clerk, will enter the insurance business and will become affiliated with the agency of his son, operated as the Carl A. Nuetzel Insurance Agency.

At Paducah, Ky., Bradshaw & Well, one of the largest insurance agencies in western Kentucky, has recently taken over the T. A. L. Miller agency and Mr. Miller has gone with the Bradshaw casualty department.

S. F. Law, superintendent of the marine department, Springfield Fire & Ma-

rine, is on a visit through the south and is spending a week with Joseph M. Rogers, Kentucky state agent, in central Kentucky territory.

At Winchester, Ky., F. J. Jouett has sold his Jouett Insurance Agency to his cousin, Edward J. Jouett, and has gone to Birmingham, Ala., where he becomes superintendent of the casualty department of the large R. A. Brown Insurance Agency.

ment of the large R. A. Brown Insurance Agency.

S. P. C. Duvall & Co. have been appointed agents of the Harmonia in Norfolk, Va., and the Insurance Service Company at Lincolnton, N. C., by the Louis E. English general agency at Richmond.

## ON THE PACIFIC COAST

### DISCUSS WASHINGTON AFFAIR

#### Report Committee Has Reached Conclusions in Its Proposed Solution of the Dispute

NEW YORK, Jan. 25.—A meeting was held here last week by delegates of the Pacific Board, representatives of the general agencies in the state of Washington and executives of the companies having general agencies in Washington. Edward Milligan, chairman of the eastern advisory committee, presided. The whole subject of the troubles in Washington was discussed from every angle.

A committee of six consisting of two members from each of the interests represented in the dispute was appointed after the discussion to formulate conclusions. From what could be learned at the conclusion of the meeting of this committee it appeared that the proposed solution of the troubles includes having the Washington general agents agree that their overriding commissions are to apply only to business they procure from others, and not to the business they write in their own local agencies. It is proposed to agree upon a rule limiting the number of agents they will appoint in each town or city, and to treat all others from whom they accept business as brokers, thus doing away with the non-policy writing agency evil.

#### San Francisco Premiums Decrease

SAN FRANCISCO, Jan. 25.—Total fire premiums for the city of San Francisco showed a drastic decrease over the three preceding years, according to figures compiled by Robert W. Neal, publisher of San Francisco. Mr. Neal gives the total premiums of all stock companies as being \$6,121,140 for 1927, as compared with \$6,579,602 in 1926; \$6,498,936 in 1925 and \$6,222,914 in 1924.

According to his table the Home of New York showed the largest volume with \$238,026; the Liverpool & London & Globe was next with \$219,415. The Aetna showed a premium income of \$214,655; then comes the Fireman's Fund with \$196,567, the United States with \$191,024 and the Continental with a record of \$143,594. The North America did a volume of \$142,503, placing seventh position. The Security of New Haven, which has shown consistent advances since Benton A. Sifford has been manager, showed further increases with a total of \$81,274. The Millers National did the largest non-board business with \$100,071.

#### Will Submit Report

SAN FRANCISCO, Jan. 25.—Clifford Conly, chairman executive committee of the Pacific Board, and Thomas H. Anderson arrived in San Francisco Tuesday from New York after attending the conference held recently on the Pacific northwest agency situation with a tentative proposition which will be submitted to the Pacific Board at a special meeting to be held next week on return of other members of the committee. According to understanding in fire insurance circles the committee was not in entire agreement during the recent eastern conference.

#### Shingle Ordinance Deferred

SAN FRANCISCO, Jan. 25.—Final action on the much discussed shingle ordinance has been put over for two more weeks by the San Francisco board of supervisors. This ordinance was passed

to print recently but due to newly elected supervisors taking their place on the board it was necessary that the matter again be brought up. Meanwhile lumber interests have been busy endeavoring to defeat the measure, which prohibits the use of shingles in the city and county of San Francisco.

#### Get Iowa National Fire

SAN FRANCISCO, Jan. 25.—The Brierley-Footman Company of San Francisco has been appointed northern California general agent for the Iowa National Fire, which is in the office of R. H. Jenkins of Los Angeles as state representative. The Brierley-Footman Company recently took over the Eureka Casualty general agency for northern California.

#### Drafting New Constitution

The executive committee of the Insurance Agents' League of Washington, at a recent meeting to discuss the new constitution, incorporated in the seventh provision of the second article that all members recognize the principles of the American agency system.

#### Montana Field Club Elects

George P. Mang of Butte, Mont., was elected president of the Montana Special Agents Association at a recent meeting.

#### Coast Notes

John P. Breeden, Pacific Coast manager for the National Liberty, was in Seattle recently on a visit to W. J. Cassel, state agent.

John A. Whalley & Co., Seattle, now acting general agents in the Pacific Northwest and as manager in California for the New Hampshire Underwriters.

Paul J. Braun, engineer for the Washington Surveying & Rating Bureau, told Seattle fire insurance men at a recent meeting that all cities and towns west of the Cascades now have standardized hose couplings.

## IN THE MOUNTAIN FIELD

### WANT TO SET PUBLIC RIGHT

#### Colorado Agents in Advertisement Take Up Claims of Denver "Post" and Others on Rate Reduction

DENVER, Jan. 25.—Civic organizations and newspapers that are claiming credit for having forced fire insurance companies to reduce their rates in Colorado are undermining the public's confidence in legitimate fire insurance agencies, Colorado insurance men say.

The situation, if allowed to continue without remedy, may result in a reduction of business, it is feared in Denver. To combat the evil local agents are combining forces to lay the true facts before the public and discredit selling claims.

#### Denver "Post" Claims Credit

The Denver "Post" led the fight against the former rates. This newspaper has taken all the credit for the reductions and has intimated openly that it forced the companies to reduce rates which it characterized as "exorbitant." Following this lead a number of civic organizations, including chambers of commerce, also attacking the companies and took credit for the reductions.

Denver insurance men claim that the "Post" knew when engineers of the National Board arrived last fall to make a new survey with a view to lower rates. The paper immediately began a campaign for lower rates, knowing it was entirely probable the rates were to be



reduced following the survey, insurance men say. The paper attempted to show where the Denver rates were then too high.

When the engineers completed the survey and recommended the reductions the paper took all the credit for having uncovered the situation and for the lower rates which followed.

This has placed the public in a doubtful frame of mind, insurance men fear. It has left the impression that the insurance companies were overcharging and that they became alarmed at the wide publicity given their rates and that the reductions were a result of this alarm.

To nip this impression in the bud local agents are attempting to give the true facts to the public. Newspaper advertising is being resorted to by combined agencies and through insurance agents' associations.

#### Advertisement Used Extensively

The following advertisement is being used extensively:

There has been, at all times, among the standard insurance companies, the aim of keeping the insurance rates on all property consistent, considering not only the physical condition of property, but the experience through which any class of property passes over a period of years, over averages of territory.

Constantly, engineers employed by the companies, and by the rating bureaus supported by the companies, are watching these interests—and consequently there is occasional readjustment of rates—sometimes increases and sometimes decreases, to compensate for the conditions prevailing.

Just at this time, effective Jan. 1, another one of these readjustments is taking place, whereby rates in Colorado on certain property are increased slightly, and also rates on other classes are decreased, depending upon the conditions encountered.

#### Fire Prevention Broad Question

This readjustment gradually leads on to an ultimate reduction in all classes of property, as conditions of fire prevention improve—but the matter of fire prevention is a broad one—involving questions of ownership and construction improvement, and the development must be slow, to be safe for the public who depend upon the management of their insurance companies upon conservative lines.

As to the present situation, in one of the Denver papers and in other papers of the state, effort has been made to take credit for any rate reductions, as the result of the work of those papers or of civic bodies, but the fact is that none of these efforts have had anything to do with the present changes. Such rate reductions, and rate increases, as are now announced, are the result of constant engineering work of all legitimate companies, which is constantly going on—and in this all local agents are constantly cooperating in the interest of the public as well as the companies.

The insurance buying public of Canon City and vicinity can depend upon it that all of their rights under the present readjustment situation will be fully and completely safeguarded by the agencies to whom they have entrusted the protection of their interests, and to that end we bespeak the continuation of your confidence in us and assure you that every right will be ever protected, as far as any policies through our agencies are concerned.

The advertisement was written by a Canon City local agent and has been copied by agents in other cities.

The Denver agents are recommending that all fire insurance bodies in the state combine locally to restore the confidence of the public and discredit all false claims.

#### MOUNTAIN PREMIUMS DROP

Chances for 1927 Likely to Show Increase

—New Mexico Is Black Spot in That Territory

DENVER, Jan. 25.—The mountain field states of Colorado, New Mexico and Wyoming, spoken of often as the Elysiac Fields of fire underwriting in this country, will show for 1927 a record to

tarnish somewhat that idealistic cast, unless all forecasts are faulty. There seems to be no doubt among the experts on the scene that fire-marine premiums will show quite a falling off, while losses will show an increase compared with 1926.

Colorado, as usual, will render a fine account of itself as one of the few consistent profit-producing states of the country. At that, it is confidently believed that the loss experience in 1927 will develop at least ten points in excess of the ratio for 1926. There is yet margin enough to save the good record, for it will, in all likelihood, be shown to fall well within the safety margin below 45 percent. The total premium income is expected to fall considerably below the \$7,000,000 mark, net, which the record for 1926 showed.

#### Effect of Recent Reduction

The recent reduction in fire rate schedules for Colorado affected only certain classes of brick buildings and contents. The expected reduction is more than \$400,000. Meanwhile there is agitation that farm rates ought to be sharply increased, for the class has not shown a profit; also, that hail rates must be greatly boosted, for the record in 1927 on hail was extremely disastrous, as has been the case for several years past.

New Mexico is the black spot for 1927, if present estimates are to be sustained. That the loss ratio of New Mexico will go uncomfortably close to 65 or even 70 percent, is the consensus.

Wyoming made a bad showing the last two months of the year, with sev-

eral big losses. Otherwise the state would have its usual low loss ratio of around 25 percent. It will go as high as 36, in all probability on the complete returns for 1927, although that guess may be pitched too high.

Underwriters of this territory do not anticipate any increase in premiums for the coming year, basing their prognostication on the lower level of the retail trade everywhere manifest and the slim chance that the deep cut in rates for Colorado can be overcome in the grand totals of the three states.

#### Survey Reports Distributed

DENVER, Jan. 25.—Survey reports for Pueblo, Colo., and Casper, Wyo., have been published and distributed, it was announced last week. These are the first reports to be distributed by the National Board since insurance reductions were recommended for the Rocky Mountain region.

#### New Rates Mean Slump in Premiums

DENVER, Jan. 25.—Reductions in Colorado insurance rates will mean a decrease in premiums of about \$400,000 annually, it has been estimated in Denver. In 1926 the premiums were about \$5,000,000. It is estimated the reduction will average 8 percent.

Insurance men here do not believe the reductions will bring enough additional business to compensate for the reduced premiums. Preliminary estimates show a very small increased business.

The only difficulties encountered so far under the new rates are the complaints of policyholders whose business was written late in December, 1927, shortly before the new rates became effective.

## NEWS FROM EASTERN FIELD

### P. J. MULLEN MADE PRESIDENT

Heads Middle Department Association  
—J. N. Dixon Is New Vice-President

Paul J. Mullen of the Phoenix of London was elected president of the Underwriters Association of the Middle Department at the annual meeting held in Philadelphia last week. J. N. Dixon of Newark was elected vice-president. The following executive committee members were elected: Eastern Pennsylvania, A. C. Hackenberger, Concordia, and Samuel D. Henry, Security; western Pennsylvania, R. Warren Gorham, Atlas, and William T. Bode of the Boston; New Jersey, Chris Moller, Automobile, Paul L. Thompson, Hanover, and John D. Boniface, Mechanics; Maryland, John D. Hobson of the American Eagle and Alvin P. Loyd of the Eagle, Star & British Dominions.

The proposed amendment to change the present plans of four meetings a year to two a year was defeated.

The following were elected to membership: Arthur B. Cornell of the Stuyvesant, John J. Droughton of the North America, J. G. Johnson of the Hardware Dealers Mutual, Albert C. Gruber of the City, E. H. Vachschmidt of the Superior, R. S. McKain of the Fire Association, John A. Lance of the Netherlands, Paul H. Yngve of the New Hampshire, Percival Collins, Jr., of the Fireman's Fund, Joseph C. Finnell of the Rhode Island and E. H. Woodward of the National.

#### Results of Arson Investigation

BALTIMORE, Jan. 25.—Through evidence of arson discovered by special investigators of the state insurance department, insurance companies were saved \$47,250 last year in ten incendiary fires in this state, according to a report of Hazelton A. Joyce, Jr., deputy insurance commissioner. As a result of the investigations conducted by the department 25 persons were charged with arson for attempting to defraud insurance companies. A number of cases are still awaiting trial.

In addition, there were a number of other cases where the companies were justified by the investigations in greatly

reducing loss claims, although the evidence may not have been strong enough to convict in criminal court.

#### Society Reelects J. S. Trump

J. Sanderson Trump, secretary of the Philadelphia Fire Underwriters Association, was reelected president of the Insurance Society of Philadelphia at its meeting last week. Dodd Bryan, manager of the bonding department of the Indemnity of North America, was reelected vice-president, as was Harry F. Ries, assistant secretary of the Wagner-Taylor Company. Joseph Williams of Hutchinson, Rivinus & Co. was elected secretary and H. Wilbur Brown was reelected treasurer. The only new member of the executive committee elected was Edward W. Frain, manager of the local department of the General Accident.

#### Veteran Taunton Agent Dies

TAUNTON, MASS., Jan. 26.—Randall Dean, one of the leading insurance men of Bristol county and prominent in civic and business affairs, died at the Morton hospital in Taunton, aged 61 years.

Mr. Dean entered the insurance business over 30 years ago in the employ of E. T. Jackson Co. of Taunton. He remained with the firm until 1908, when he purchased the business. In 1919 the name of the firm was changed to Randall, Dean & Co. and the business, which had been most successful under its former management, steadily increased in business and prestige until it became known as one of the leaders of its line in Bristol county.

#### Wants Monk to Investigate Rates

BOSTON, Jan. 25.—Representative Roland D. Sawyer of Ware, Mass., has introduced a bill in the Massachusetts legislature providing that Commissioner Monk shall investigate the recent increase in fire insurance rates in Massachusetts.

#### New Jersey Field Club Accessions

NEWARK, Jan. 25.—Recent accessions to membership in the New Jersey Special Agents Association include Special Agents Charles A. Furlong, Firemen's; Alexander C. Schoen and Fred E. Benjamin, North America; Caldwell Fraser, North British & Mercantile; Fred B. Halliday, Fire Association, and Henry

N. Hopeke, Stuyvesant. Having been transferred to another field, William H. Gilchrist of the North British & Mercantile retires from the organization.

#### Many Applicants Fail to Appear

BOSTON, Jan. 25.—Since the Massachusetts Insurance department started its plan of department examination of applicants for agents' licenses last fall there have been 2,719 applicants for the examination, of which number but 1,604 have shown up for the tests, leaving 1,115 unaccounted for.

#### Lowell Board Election

LOWELL, MASS., Jan. 25.—The Lowell Board, at its annual meeting, elected Bernard P. McArdle as president, succeeding E. Gaston Campbell, who has presided over the board for many years. Leo R. Mongeau was elected vice-president and Arthur P. Delong was reelected secretary-treasurer. A committee was named to draw up a new set of by-laws.

Frederick R. Smith of Haverhill, president of the Massachusetts Association of Insurance Agents, addressed the board on the work of the national and state associations.

#### Bureau Holds Conference

BOSTON, Jan. 25.—General Manager W. J. Greer of the General Adjustment Bureau called in all the adjusters and managers of his New England staff for a two days conference on loss and adjustment matters in Boston the past week. Commissioner Wesley E. Monk spoke on the relationship of the company adjuster to the insurance department. A dinner at a local hotel closed the sessions.

#### Eastern Notes

The Pennsylvania Lumbermen's Mutual Fire will be located in new quarters on the 11th floor of the Public Ledger building, 7th and Chestnut streets, Philadelphia, after Feb. 1.

#### New England Notes

Clarence A. Bates, a well known Boston automobile claim adjuster, died at the Peter Bent Brigham hospital in Boston following an illness of some weeks. He was 45 years old.

The Reinsurance Corporation of America was admitted to Massachusetts the past week to write both a reinsurance and direct business. H. G. Fairfield of Boston is named the agent of record. It will write fire, inland marine and sprinkler leakage.

James B. Wetzel, of Barre, Mass., an insurance agent, was sentenced to two years in jail in superior court at Worcester on charges of larceny of \$2,500 from men in various parts of Worcester county. It was alleged that Wetzel forged endorsements of checks given in payment of insurance premiums, cashing the checks and retaining the money for his own use.

## NEWS FROM CANADA

### DISASTROUS FOR HAIL FUND

Alberta Municipal Board, With Claims for \$2,515,000, Uses Up Entire Reserve in Partial Payment of Losses

WINNIPEG, Jan. 25.—According to the Municipal Hail Insurance Board of Alberta, hail insurance claims to the total of \$2,515,000, representing a 17 percent loss of the total risk involved, were paid in 1927. This amount is said to be the heaviest amount in hail damage in a similar area ever recorded on the North American continent, and placed the board in a position where it has been compelled to apply the entire reserve in partly meeting the claims. Out of a total of 10,404 applications for insurance, more than 5,000 claims had been received, involving approximately 600,000 acres of the 1,151,000 underwritten.

In comparison, it was pointed out that the average hail loss in Manitoba over a period of years was approximately 2 percent and around 4 percent for the province of Saskatchewan.

#### New Companies Licensed

The Rhode Island has been licensed in



# Insurance Attorneys



A Directory of Responsible Attorneys Specializing in Insurance Law

## ARKANSAS

**O. M. YOUNG**  
ATTORNEY AT LAW  
Specializing in  
**INSURANCE PRACTICE**  
Merchants National Bank Building  
FORT SMITH

## ILLINOIS (Con.)

**Silber, Isaacs, Silber & Woley**  
Attorneys & Counselors  
HOME INSURANCE BUILDING  
CHICAGO  
Special Attention to the Law of  
Fire Insurance and Taxation

## IOWA

Jesse A. Miller I. D. Shuttleworth  
E. J. Kelly J. R. McManus  
Oliver H. Miller Frederic M. Miller  
**Miller Kelly Shuttleworth & McManus**  
LAWYERS  
1315-1318 Equitable Building DES MOINES

## MINNESOTA

**BUNDLIE & KELLEY**  
SAINT PAUL

## CALIFORNIA

**JOHN L. DYER**  
Attorney  
Specializing in all phases of Fire, Life and  
Casualty Insurance Litigation  
Suite 329 Citizens National Bank Building  
LOS ANGELES, CALIFORNIA

**JOHN E. CASSIDY**  
ATTORNEY  
Facilities to attend Investigations,  
Adjustments and Litigation in  
Central Illinois  
1004 Peoria Life Bldg. PEORIA

**Parrish, Cohen, Guthrie,  
Watters & Halloran**  
Attorneys and Counselors at Law  
Register and Tribune Building  
DES MOINES

**SEXTON, MORDAUNT & KENNEDY**  
ATTORNEYS AND COUNSELORS  
Adjusters and Investigators sent to any  
place in the Northwest  
1601 Pioneer Building  
ST. PAUL

## FLORIDA

**LYMAN M. BECKES**  
Attorney and Counselor at Law  
ORLANDO, FLORIDA  
Representing: American Automobile, American  
Indemnity, Commercial, Continental, Em-  
ployers', Georgia Casualty, Metropolitan, Pre-  
ferred, U. S. Casualty, U. S. F. & G.; and  
many others. Regular Claim Dept. Company  
Trained Adjusters.

**CHARLES S. ANDRUS**  
Attorney  
Specializes in Casualty work, includ-  
ing investigations.  
614 First National Bank Bldg.  
SPRINGFIELD

Henry E. Sampson Sidney J. Dillon  
**SAMPSON & DILLON**  
Attorneys and Counselors at Law  
Suite 601 Register & Tribune Bldg.  
DES MOINES

## MISSOURI

**COWGILL & POPHAM**  
Attorneys and Counselors at Law  
Commerce Building  
Kansas City, Missouri

**JACKSON, DUPREE & CONE**  
Citrus Exchange Building  
TAMPA

**BROWN, HAY & STEPHEN**  
714 First National Bank Bldg.  
SPRINGFIELD

**HARRY W. COLMERY**  
612 New England Building  
TOPEKA, KANSAS

**STRINGFELLOW & GARVEY**  
Donnell Court, ST. JOSEPH, MISSOURI  
Attorney for: Aetna Life, Aetna Casualty &  
Surety, American Surety, F. & D. of Md.,  
Gen. Acc. Assur. Corp., Georgia Casualty,  
Globe Indemnity, Independence Indemnity,  
Preferred Accident, Royal Indemnity, Stand-  
ard Accident, Union Indemnity, U. S. Am.  
Ins. Exc.

## ILLINOIS

**ALFRED R. BATES**  
ATTORNEY AT LAW  
189 W. Madison Street  
CHICAGO

**Frederick A. Brown**  
1518 Otis Building  
CHICAGO

**Cassels, Potter & Bentley**  
1060 The Rookery  
CHICAGO

**EKERN & MEYERS**  
Insurance Attorneys  
206 So. La Salle St.  
CHICAGO

**HICKS & FOLONIE**  
231 So. La Salle St  
CHICAGO

## INDIANA

**S. BORTZ**  
LAWYER  
620 Meyer-Kiser Bank Bldg.  
INDIANAPOLIS, INDIANA

George A. Henry Delbert O. Wilmeth  
**HENRY & WILMETH**  
Insurance Attorneys  
504-5 Meyer-Kiser Bank Building  
Indianapolis, Indiana  
Specially equipped to handle  
Investigations—Adjustments—Litigation

**Slaymaker, Turner, Merrell,  
Adams & Locke**  
Attorneys specializing in All Phases of  
Fire, Marine, Life & Casualty  
Insurance Litigation  
751-760 Consolidated Bldg.  
INDIANAPOLIS

**JOHN H. KIPLINGER**  
Lawyer  
American National Bank Bldg.  
RUSHVILLE  
Specially equipped to handle insurance in-  
vestigations—adjustments—trial work, par-  
ticularly in southeastern Indiana.

## MICHIGAN

**Walters, Hicks, Carmichael & Head**  
(Formerly Henry C. Walters, and Walters  
& Hicks)  
ALL LINES  
Represent Companies Only  
916-20 Ford Bldg.  
DETROIT

**DUNHAM & CHOLETTE**  
ATTORNEYS AT LAW  
1012-1016 Grand Rapids National Bank Bldg.  
GRAND RAPIDS

**LAURENCE W. SMITH**  
Attorney and Counselor  
MICHIGAN TRUST BUILDING  
GRAND RAPIDS

**THOMAS, SHIELDS  
& SILSBEE**  
LAWYERS  
American State Savings Bank Bldg.  
LANSING

## MINNESOTA

**ERNEST E. WATSON**  
All Lines  
Represent Companies Only  
Including Defense of Negligence  
936 Andrus Bldg. Minneapolis

## NEW JERSEY

**SAMUEL M. HOLLANDER**  
COUNSELOR AT LAW  
Chamber of Commerce Bldg., Newark, N. J.  
Telephone 1140-1 Market  
Specialist in the Law on Breach of Warranty  
and General Insurance Cases

## NORTH CAROLINA

**CALE K. BURGESS**  
Insurance Investigations, Adjust-  
ments and Litigation  
RALEIGH

## OHIO

Rees H. Davis Fred J. Young Clare M. Vrooman  
**DAVIS, YOUNG & VROOMAN**  
Attorneys at Law  
Guardian Bldg.  
CLEVELAND



# Insurance ATTORNEYS

A Directory of Responsible Attorneys Specializing in Insurance Law

## OHIO

## JOHN H. McNEAL

*Trial Lawyer*  
1367 E. Sixth St. Cleveland, O.  
Representing—Continental Cas. Co.; Zurich  
Gen. Acc. & Liab. Ins. Co.; Eagle Ind. Co.;  
Central West Cas. Co.; New Amsterdam  
Cas. Co.; Republic Cas. Co.; U. S. Guar.  
Co.; Am. Guar. Co.; Ind. Co. of Am.; and  
many others.

## KNEPPER &amp; WILCOX

Outlook Building  
COLUMBUS

## MATHEWS &amp; MATHEWS

Attorneys At Law  
25 North Main Street  
DAYTON

## DENMAN, MILLER &amp; WALL

TOLEDO

Harold W. Frazer Stanley J. Hiatt  
Hampton G. Wall George R. Effler  
John W. Winn, Jr. R. W. Shumaker  
H. T. Hanley  
**Fraser, Hiatt, Wall & Effler**  
ATTORNEYS  
Suite 710 Home Bank Building  
TOLEDO, OHIO

Marshall, Melhorn, Marlar & Martin  
1032 Spitzer Building TOLEDO  
Edwin J. Marshall John A. Smith  
Donald F. Melhorn Thomas J. Lynch  
Thomas O. Marlar Leland H. Notnagel  
Ray Martin C. A. Zinn  
Albert T. Goorley Henry R. Bloch  
Elyn G. Davies John M. Kiskadden

Arthur Morgan Erskine Maiden, Jr.  
**MORGAN AND MAIDEN**  
ATTORNEYS-AT-LAW  
744-5 First National Bank Building  
YOUNGSTOWN, OHIO

## OKLAHOMA

## Rittenhouse, Lee, Webster &amp; Rittenhouse

American National Bank Bldg.  
OKLAHOMA CITY

## SOUTH CAROLINA

## CORNELIUS OTTS

LAWYER  
SPARTANBURG

## SOUTH DAKOTA

## McNulty, Williamson &amp; Smith

Lawyers  
DAKOTA NATIONAL BANK BUILDING  
ABERDEEN, SOUTH DAKOTA

## BAILEY &amp; VOORHEES

Charles O. Bailey Ray F. Bruce  
John H. Voorhees Melvin T. Woods, Jr.  
Theodore M. Bailey Roswell Bottum  
**BAILEY-GLIDDEN BUILDING,**  
SIOUX FALLS,  
INSURANCE PRACTICE.

## KIRBY, KIRBY &amp; KIRBY

Established 1886  
Joe H. Kirby Thos. H. Kirby  
Frank G. McCormick Paul L. Redfield  
L. C. O'Hara R. M. Dunn  
Sioux Falls  
General Counsel Western Surety Co.

## TENNESSEE

## WILLIAM HUME

NASHVILLE

## WASHINGTON

## ROBERTS &amp; SKEEL

John W. Roberts E. L. Skeel  
N. A. Pearson William Truscott  
D. D. Mote Elwood Hutcherson  
Glen E. Wilson Eugene F. Hooper  
SEATTLE

## WEST VIRGINIA

## HARRY SCHERR

INSURANCE AND  
CORPORATION LAW  
(Member Firm  
Vinson, Thompson, Meek & Renshaw)  
Huntington, West Virginia

## WISCONSIN

## RICHMOND, JACKMAN, WILKIE and TOEBAAS

ATTORNEYS-AT-LAW  
Adjusters sent any place in Wisconsin  
111 S. Hamilton St. MADISON

## STEPHENS, SLETTELAND &amp; SUTHERLAND

Attorneys and Counselors at Law  
Investigators and adjusters sent throughout state.  
412-415 First Central Bldg.  
MADISON

## BLOODGOOD KEMPER &amp; BLOODGOOD

380-384 East Water Street,  
MILWAUKEE  
Representing U. S. Fidelity & Guaranty  
Company, Metropolitan Life Insurance Com-  
pany, Globe Indemnity Company

## COLEMAN, MURPHY &amp; McCAULEY

5011 Plankinton Bldg.  
MILWAUKEE  
Specialized in Insurance  
Practice 15 years

Canada for fire, sprinkler leakage, tornado, and limited explosion insurance.

The British Canadian has been licensed for fire, accident, automobile, excluding damage to property; burglary, explosion, fidelity, inland transportation, plate glass, sickness, sprinkler leakage, steam boiler and tornado insurance. E. F. Garrow of Montreal has been appointed the company's Canadian chief agent.

The Hudson Bay has been licensed in the province of Quebec for automobile insurance.

## Canadian Losses Compared

According to the "Monetary Times," fire losses in Canada for the two weeks ending Jan. 11 are estimated at \$900,300, as compared with \$1,227,500 for the corresponding period of 1927. For January 1-12, fire losses are estimated at \$636,300.

## Canadian Notes

J. E. Rose has been advanced to as-

sistant manager for the Vancouver branch of the London & Lancashire.

Fire last week destroyed the office, store and planing mill of the Fraser Companies at Plaster Rock, N. B., causing damage estimated at between \$25,000 and \$30,000. The local postoffice was also burned.

At Shawinigan Falls, Que., a disastrous fire completely gutted two blocks in the commercial district, including a drug store, three private dwellings, a dry-goods store, jewelry store and barber shop, causing a loss estimated at \$100,000.

The Rennie block at Napanee, Ont., was completely destroyed by fire last week. The ground floor of the building was occupied by the Sellzite Stores, a grocery and a drug store. The Douglas Egyptian Liniment Company and the Canadian Order of Foresters were tenants of upper stories. The stock and furnishings will in all cases be lost. The estimated damage is \$80,000.

## MOTOR INSURANCE NEWS

## IRREGULARITY IN BULL DOG

Failed Concern Falsely Reported Its Financial Condition Is Charge—Director Seeks Assets

PEKIN, Ill., Jan. 25.—Petition to show cause why they should not be cited for contempt of court has been filed against Goddard & Roehm, attorneys-in-fact for the defunct Bull Dog reciprocal by H. U. Bailey, Illinois director of trade and commerce, containing charges that the firm, anticipating insolvency of the company, had withdrawn \$834,384 to their own account in the ten year period preceding the crash. The federal court has directed the firm to turn over at once to Mr. Bailey all properties, assets of the insurance company held by their firm relating to the business of the company, pending further hearing of the charges.

The petition alleges false statements and entries in books of the company, especially as relating to its assets as of Dec. 31, 1925, when unpaid losses of \$34,233 were noted by the attorneys, whereas the state claims that these should have been truly shown as nearly \$250,000. A year later, it is claimed, the report to the state showed a surplus over liabilities of \$123,710 but seven days prior to filing this report liabilities exceeded assets by \$317,342. Other charges in the petition recite that subscribers were wrongfully charged with salaries of agents on adjustment expenses to the amount of \$65,836, while no credit was extended for returned premiums due on policies cancelled on short rate.

Similar irregularities extending over a decade are listed in the petition. The firm is alleged to have charged to have advanced \$170,241 to subscribers funds but that the cash book, ledger and journal fail to show any such amount. Reciprocal relations in the two year period of 1915-1917 between the Bull Dog Auto Indemnity and the Bull Dog Auto Fire in eight states resulted in liabilities in each state, the petition charges, and the director complains he has been pressed for accounting in these matters.

## To Seek Proper Authorization

LANSING, MICH., Jan. 25.—Steps will be taken immediately toward obtaining proper authorization in Michigan for the Motor Indemnity, South Bend, Ind., a reciprocal operated in conjunction with the Associates Investment Company, a finance concern, according to a letter just received by the Michigan department from E. M. Morris, vice-president. The association's status in Michigan had been questioned recently by the department which contended that it had been operating in this state without a license through its acceptance of business on financed cars obtained through the branches of the finance company, of which there are several in the state. At an informal hearing it was agreed to give the reciprocal a short time in which to decide whether it would comply with the department's orders or test the validity of its stand in the courts.

## GIVES FACTS ON INDUSTRY

Preliminary Report for 1927 Made by National Automobile Chamber of Commerce Manager

Alfred Reeves, general manager of the National Automobile Chamber of Commerce, gives some preliminary facts regarding the automobile industry for 1927. He shows that the wholesale value of pleasure cars last year was \$2,190,000,000 and the wholesale value of trucks \$366,750,000. The average number of persons employed in motor vehicle and allied lines is 3,675,000. Motor cars registered in the United States were 20,140,000 and motor trucks 2,985,000. The world registration of motor vehicles was 28,900,000. Of this number 80 percent were owned in the United States. Motor vehicle registration on farms was 4,700,000. Cars produced last year were 3,066,000 and trucks 464,000. There were 2,452,000 closed cars produced that being 80 percent of the entire number. The percentage of new cars sold on time was 58 percent and new trucks 55 percent. There were 90,000 busses in use last year. There were 11,500 busses produced. There were 8,600 busses used by street railways and 1,175 used by steam railroads. There were 52,592 car and truck dealers in the United States, 52,086 public garages, 85,983 service stations and repair shops, 67,753 supply stores.

## Have Installment Plan

ST. PAUL, Jan. 25.—William B. Joyce & Co. of St. Paul have announced an eight months payment plan on automobile insurance. An additional charge ranging from \$1.43 to \$2.20 is made to cover interests and mailing costs.

## Let Contract for Rate Manual

Contract for printing the 1928 rate manual for company members of the National Automobile Underwriters Conference has been awarded the Uniform Printing & Supply Company. It is anticipated the book will be ready for distribution early in March. A. J. Donohue, assistant to General Manager J. R. Moore of the National Conference, it is expected, will be in Chicago Jan. 26 to perfect details for the manual's printing.

## Incorporate Hartford Service Concern

The National Service Guarantee has been incorporated in Hartford with William P. Spear, president of the Middletown Chamber of Commerce, as its head. Other officers are Robert P. Butler, former corporation counsel, vice-president and counsel, and Frank E. McGray, prominent broker, secretary-treasurer. Its method of operation is to sell the individual car owner a bonded contract which, for a fixed annual fee, entitles the holder to repair service in the event of accidents of a minor nature.

The Hartford selling agents are J. W. Huling, president, and Harold J. Beardsley, secretary and treasurer of

the Reliance Realty Corporation of West Hartford. Mr. Huling was formerly field representative for the accident de-

partment of the Aetna Life and in association with Mr. Beardsley represents the Union Central Life.

## MARINE INSURANCE NEWS

### WITHHELD PREVIOUS LOSSES

#### Michigan Supreme Court Holds Jury and Not Judge Must Decide Question of Deception

LANSING, MICH., Jan. 25.—The jury and not the judge must decide whether or not an assured has attempted to deceive a carrier as to previous experience on a certain line when applying for coverage, according to the Michigan Supreme Court in granting a new trial to the Hayes-Ionia Company, Grand Rapids autobody building concern, in its suit against the St. Paul Fire & Marine, which insured truck shipments of bodies between Grand Rapids and Detroit. The lower court directed a verdict in favor of the insurance company after evidence had been produced indicating that the body company had withheld certain information as to its experience when it applied for fire coverage on bodies in transit over this highway route.

A policy was issued covering bodies shipped by truck from the body plant in Grand Rapids to Detroit. Not long after issuance of the policy, a loss occurred. Investigators for the company and representatives of the assured met and agreed that the loss amounted to \$1,361. Payment was not forthcoming, and shortly afterward the carrier proceeded to deny liability, cancel the policy, and tender the return premium. It was declared, as basis for this action, that it had been discovered that a similar risk "had been canceled by a previous underwriter on account of losses, contrary to your representations to us."

#### Asked About Losses

It was disclosed that when the body company made application for the coverage the St. Paul company had demanded to know previous experience on the line. Sample rates were quoted by the carrier and it was stated that they were based on a satisfactory past experience. It was requested that the body company advise of all losses within the previous two year period.

The request was apparently ignored for a time, but was repeated by the company previous to acceptance of the coverage. It was stated in this second communication on the subject "If similar insurance has been carried and canceled, the St. Paul would not wish to become interested. We would like advice as to whether another company has canceled or refused to issue a contract." The agency evidently looked into the matter at this juncture and telegraphed in reply that "no company has carried or refused insurance on this risk. Experience has been good, only four bodies slightly damaged in six months." The policy was henceforth issued.

#### Exhibit Company Vouchers

When the body company brought suit, the St. Paul exhibited vouchers of the Automobile, indicating that the Hayes-Ionia company had collected under a similar policy written by that carrier. All of these claims were filed in 1922 and six of them totaled \$405. The body company explained this seeming deception by pointing out that the coverage was originally taken out by the truck-line operator who was independent contractor accepting Reo bodies, F. O. B. at Grand Rapids for delivery in Lansing. The Hayes company became interested only after the truck owner had shown some negligence in his business dealings with the insurance company and the latter concern had become dissatisfied with the arrangement but apparently not because of unfortunate experience. The original policy was then surrendered and one issued to the Hayes-Ionia company.

The Supreme Court pointed out that the facts might be construed quite logically in either direction, namely, that the St. Paul company had not been fully informed as regards similar experience of the body company or that the Hayes-Ionia Company deemed the inquiry to apply only to experience on the Grand Rapids-Detroit route and did not consider it necessary to mention the previous contract in which its interest had been only nominal. With two such reasonable assumptions in question, it was held that the trial judge should certainly not have taken it upon himself to direct a verdict but should have submitted the issue of fact to the jury.

### THEFT REDUCTIONS EXPECTED

#### Charles E. Hughes Aiding Underwriters and Others in Obtaining Co-operation in South America

NEW YORK, Jan. 25.—Marine underwriters as well as vessel-owners and shippers are appreciative of the promptness with which Charles E. Hughes, chairman of the United States delegation to the Pan-American Conference at Havana, submitted to that body the plea of the committee of maritime interests of the port of New York for the suppression of theft and pilferage for the co-operation of the republics of Central and South America in its effort to check thefts from vessels in the ports of those countries.

Stealings of this character assumed large proportions during the war and early post war period, when goods in exceptional quantity were shipped from the United States to all parts of the world, in the handling of which labor of all kinds was employed. It speedily developed that theft and pilferage was carried on to an unbelievable degree, adding greatly to the cost of conducting operations by all parties at interest. In an effort to check the evil an association of steamship, railway, lighterage, underwriters, stevedoring and shipbuilding and repairing representatives was formed, and the aid of the New York City police was enlisted. Through the cordial and effective cooperation of the latter, thefts were substantially reduced in and about this port. Junk boats, active mediums for getting rid of stolen property, were placed under close surveillance, and the number of licensed boats was reduced from 125 to about 30.

#### Foreign Aid Expected

A fair start having been made in New York City, the responsible committee is extending its campaign to foreign countries, hoping eventually that effective aid may be counted on in all important ports of the world. In one of the South American countries the pilferage of goods from vessels assumed such proportions that when effective supervision of the loading and unloading of cargoes was proposed, laborers refused to work, thereby justifying the conclusion that they were directly profiting through the thefts. Pilferage at the port of Montreal was rampant a couple of years ago, but was sharply reduced when the American underwriters in conjunction with those of Canada made an aggressive fight against the thieves. London Lloyds is sympathetic with the move of the American underwriters to put a stop to pilferage the world over and has promised its active support in this connection.

#### Lake Losses Heavy

WINNIPEG, MAN., Jan. 25.—Due to the violent storms that raged on the Great Lakes between Dec. 6-10, marine insurance companies covering risks on grain and other freight moving on the lakes suffered heavy losses. One of the

Winnipeg offices had to pay out \$400,000 on damages to grain alone. The hull losses on boats alone totalled \$1,250,000, and in addition there was much damage done which has not yet been assessed. For instance, the fleet of boats totaling 23, stationed near the Soo, valued at some \$10,000,000, will show much damage both to hull and cargo when they are released in the spring. The past season on the Great Lakes has been the worst experienced since 1913, when 13 vessels were a total loss.

### Change in Marine Adjusting Firm

Frank W. Mitchell, well known marine insurance man, has been made a member of the marine cargo adjusting and surveying firm of W. T. Isted & Co., Seattle. The latter is the pioneer firm of its kind in the northwest, having been established in 1899.

### Marine Business Transferred

Marine insurance brokerage interests of the Balfour-Kessler Agencies of San Francisco have been taken over by Johnson & Higgins of California. W. E. J. Ord of San Francisco and Bruce Chapman of the Los Angeles office of the Balfour-Kessler Agencies will join the Johnson & Higgins organization.

### Issues Fine Arts Floater

The inland marine department of the America Fore companies has issued a fine arts floater policy. The sale from fine arts insurance has far exceeded the highest hopes of the pioneer companies when they promulgated the form and initiated their respective campaigns for the development of the class.

### Theft Insurance Decision

Whether Certain Shipment of Goods Constituted a Shipment of "Men's Clothing" Within Terms of Policy—Action upon a policy insuring plaintiffs against loss by perils of transportation, including theft. The policy covered "men's clothing." A shipment was made by plaintiffs of certain pieces of goods which had been cut out, together with the necessary trimmings such as linings, canvas, buttons, etc., from New York to Philadelphia, there to be assembled and the process of manufacture into men's clothing completed. The normal period of completing the manufacture would have been approximately three weeks and the cost about \$5,000 out of a total value when completed of about \$7,500. The goods were lost in transit and the question was whether they would constitute men's clothing and thus be covered by the policy.

Held, that the shipment was not covered by the policy. The words "men's clothing" have a well recognized meaning, namely, men's finished outward wearing apparel. Such a shipment is a different shipment from shipping a bundle of buttons, a bundle of trimmings, and a bundle of piece goods. The mere addition of the word's "in transitu" does not extend the ordinary meaning of the words used in the policy describing the articles insured. Judges McAvoy and Proskauer dissented, contending that the incomplete garments were fairly within the policy and that it could not have been intended that the policy should cover only the completed garments on their return from Philadelphia and leave them unprotected on their way to be assembled. *Rosenberg vs. Globe & Rutgers, N. Y. Supreme Court, Appellate Div., 1st Dept.*

### J. M. THOMAS SPEAKS

#### ON MISSOURI RATE WAR

(CONTINUED FROM PAGE 3)

Pacific northwest, the controversy and litigation in West Virginia, the unsatisfactory situation in Louisiana, the Bank of Italy ruction in California, the new wrinkle for hampering freedom of action in the way of agency qualification laws and departmental edicts in connection therewith, the business is on a sound footing, better perhaps than any one in this room has ever seen it. "Until quite recently, insurance stocks have been looked upon as a rich man's investment—either too hazardous or too expensive to appeal to the man on the street. But the reduction in par value of shares which has been so generally brought about during the past few years, plus the fact that stock fire insurance is so firmly entrenched

behind a bulwark of large cash reserves (thanks to judicious handling of the funds during a period of unprecedented investment opportunities), and has such a spread of liability and field of activity as to minimize the chances of serious harm from the ever-present possibility of a major conflagration, have apparently caused an army of investors to seek insurance shares as an outlet for surplus funds. This widespread ownership must surely result beneficially to the business itself, if the success in the direction achieved by such outstanding public service corporations as the telephone companies and various public utilities may be accepted as a standard of judgment."

## NO REHEARING IN THE MISSOURI CASE

(CONTINUED FROM PAGE 3)

the final order probably will not reach the lower courts for some weeks.

The decision of the highest court declining to review the findings of the Missouri Supreme Court contained at least a hint that individual suits by the companies involved were the proper proceeding. While such action has been discussed no definite plans could be laid until the petition for rehearing was acted upon. Possibly another conference of the companies will be called. The Federal Supreme Court by no means affirms the method of calculating underwriting profit and loss adopted by the Missouri court. The problem is to present a federal question on which the upper court can act. There is no doubt that the Missouri decision violates the federal constitution in substance because a similar rule applied throughout the country would destroy the stock fire insurance business.

#### Kansas Case on Way

The Kansas rate case is on its way to the highest court. Kansas followed Missouri to some extent in computation of underwriting profit and loss. It is possible that the Kansas case will be found to present a situation on which the upper court can act. If the companies can get a sound definition of underwriting profit and loss, the fact that there is no legal way to apply it under the present Missouri cases will be unimportant. While the action in the Missouri case was heartening it does not by any means foreclose the possibility of a final ruling on the merits.

## KENTUCKY TOWNS WERE INSPECTED LAST WEEK

George L. Frank of the Kentucky Fire Prevention Association reported a very excellent meeting at Irvine, Ky., Jan. 14, with a side trip to the town of Ravenna, Ky. About 20 field men were present. Talks were made before the schools, buildings inspected, and a dinner in the evening was held by the Kiwanis club of the two towns, at which A. W. Bessing presided, and John W. Walker, county attorney, was one of the speakers. E. C. Knoop of the Aetna, Capt. S. G. Render of the Kentucky Actuarial Bureau, Wallace W. Smith of the L. & L. & G. and J. C. Bosworth, Jr., state fire prevention and rates department, were the speakers.

A scouting committee composed of Reyburn Watson, Northern, and R. C. Meserole, United States Fire, was named to scout Somerset, Ky., and arranged for a February meeting there if possible.

On Jan. 19, Richmond, Ky., was inspected, and a meeting held with the Civic Club. W. B. Triplett of the Queens and Capt. Render were the principal speakers.

#### John Cantwell, Sr., Dies

John F. Cantwell, Sr. of Youngstown, O., died Jan. 17. He was one of the old time agents in Youngstown, known in his own community as "Honest John."



# A · DIRECTORY · OF · RESPONSIBLE INDEPENDENT ADJUSTERS

**CALIFORNIA**

Chicago Office: 1027 Insurance Exchange  
**JOHN F. BLYTHING**  
ADJUSTER  
1028 INSURANCE EXCHANGE  
LOS ANGELES  
Tucker 9942  
Just Automobile Adjustments

**COLORADO, WYO. AND N. MEX.**

Charles F. Wilson Charles W. Krueger  
**Wilson-Krueger Adjustment Co.**  
Adjusters of Insurance Losses  
All Modern Coverage  
80 Gas & Electric Bldg., Denver, Colorado  
710 First Natl. Bk. Bldg., Albuquerque, N. M.

**DISTRICT OF COLUMBIA**

**NICHOLS COMPANY**  
INVESTIGATIONS & ADJUSTMENTS  
FOR  
INSURANCE COMPANIES  
D. C.—Md.—Va.—W. Va.  
Suite 625-26-27-28 Bond Building  
WASHINGTON, D. C.  
Practical, Prompt, & Courteous Service

**ILLINOIS**

MATTHEW J. O'BRIEN JOSEPH RICE  
**CASUALTY SERVICE CO.**  
INVESTIGATIONS & ADJUSTMENTS  
ALL CASUALTY LINES  
Insurance Exchange Bldg. CHICAGO

**KOERTS & KITTS**  
INSURANCE ADJUSTERS  
327 SO. LA SALLE ST.  
Telephone Harrison 5177  
CHICAGO

**WILSON S. LEVENS**  
AND COMPANY  
ADJUSTERS  
CHICAGO

**THOMAS T. NORTH**  
ADJUSTMENT COMPANY  
Automobile and Side Line Losses  
A Specialty  
175 West Jackson Boulevard  
CHICAGO

Fire Auto Casualty  
**Angus B. Ferdinand**  
BONDED ADJUSTER  
715 Jefferson Bldg. Tel. 6057-23818  
Over 10 years experience Established Peoria 1922  
**PEORIA—ILL.**

**WILSON S. LEVENS**  
AND COMPANY  
ADJUSTERS  
PEORIA

Central Adjustment Bureau  
Room 47  
Mercantile Bank Building  
Quincy, Ill.  
Adjustments and Inspections for  
insurance companies.  
Illinois, Iowa & Missouri

**ILLINOIS**

FIRE AUTOMOBILE  
**J. L. FOSTER**  
INSURANCE ADJUSTER  
617 First National Bank Bldg.  
SPRINGFIELD

**INDIANA**

**AMERICAN ADJUSTMENT &  
AUTO THEFT BUREAU, INC.**  
Meyer-Kiser Bank Bldg., Indianapolis  
Samuel O. Trimble, Manager  
Automobile & Casualty Claims  
Immediate Alarm Card Service

**V. M. "ARMY" ARMSTRONG**  
AUTOMOBILE ADJUSTMENTS  
ELKS CLUB  
INDIANAPOLIS

**INDIANA ADJUSTMENT CO.**  
Automobile Adjustments  
INDIANAPOLIS  
FORT WAYNE  
TERRE HAUTE  
EVANSVILLE

**WILSON S. LEVENS**  
AND COMPANY  
ADJUSTERS  
SOUTH BEND

**Reliance Adjustment & Service Co.**  
A. M. Foley, Mgr.  
General adjusters for insurance companies  
Northern Indiana, Southern Michigan and  
Eastern Illinois.  
201 Union Trust Building SOUTH BEND  
P. O. Box 617

**IOWA**

**SHAN CAMPBELL**  
AUTOMOBILE  
ADJUSTER & INVESTIGATOR  
Phone Market 3957  
313 Iowa National Bank Bldg.  
DES MOINES

**MICHIGAN**

**A. H. DINNING COMPANY**  
Insurance Adjusters  
Automobile -- Fire -- Marine  
944 Free Press Building  
DETROIT, MICH.  
Phone Randolph 0481

**W. A. GIBSON COMPANY**  
ADJUSTERS  
1305 Cadillac Square Bldg.  
DETROIT  
Fire, Auto, Burglary and Inland Marine

**WILSON S. LEVENS**  
AND COMPANY  
ADJUSTERS  
GRAND RAPIDS

**MINNESOTA**

**LYMAN HANES, Inc.**  
General Adjusters  
for Insurance Companies  
DULUTH, FARGO and MINNEAPOLIS

**MAIN & BAKER CO.**  
General Adjusters  
Minneapolis Duluth

**MISSOURI**

**MoKanOkla Adjustment  
Company**  
Adjusters for Companies Only  
605 Temple Bldg., Wichita, Kansas  
369 Bonfile Bldg., Kansas City, Missouri  
517 Insurance Bldg., Oklahoma City, Okla.  
640 Kennedy Bldg., Tulsa, Oklahoma

**A. B. HARRIS**  
Adjuster  
Sharp Bldg. Kansas City

**THOS. J. ENGLISH**  
Specializing on  
AUTOMOBILE and CASUALTY  
CLAIMS  
Pierce Bldg. ST. LOUIS, MO.

**T. A. MORREY**  
Adjuster for Fire and Casualty Companies  
718 Pierce Building  
St. Louis, Mo.

**NEW YORK**

**SYRACUSE AUTOMOBILE  
ADJUSTMENT BUREAU**  
Onondaga County Savings Bk. Bldg.  
Syracuse, N. Y.  
Investigations, adjustments, inspections and  
insurance credit reports, central and northern  
New York territory.

**The Central Ohio Adjustment Bureau**  
THE COLUMBIAN BUILDING  
Columbus, Ohio  
W. C. BEATTY, Mgr.  
ADJUSTMENTS, INSPECTIONS,  
APPRAISALS  
FOR INSURANCE COMPANIES  
Specializing in Automobile Losses and  
Liability Claims

**OHIO**

**The General Insurance Adjustment Co.**  
Second National Bank Bldg.  
TOLEDO  
Clifford L. Rose, Mgr.

**O. J. MARSH**  
Adjuster for Companies in N. W. Ohio and  
Southern Michigan  
AUTOMOBILE and FIRE  
2006 Berkeley Dr. TOLEDO, OHIO  
Phone Jefferson 1341

**OKLAHOMA**

**THE FULLER ADJUSTMENT COMPANY**  
Prompt Adjustment Services  
Provided in Oklahoma  
Offices at  
Oklahoma City Tulsa, Okla.  
215 Merc. Bldg. 213 Atco Bldg.  
Guy H. Fuller, Mgr. L. M. Hallock, Mgr.

**TEXAS**

**Bates Adjustment Company**  
"We have served the companies for  
more than twenty-six years"  
Offices: Oklahoma City, Oklahoma; Tulsa,  
Oklahoma; Dallas, Texas; Abilene, Texas;  
Amarillo, Texas; Tyler, Texas; and Wichita  
Falls, Texas

**H. L. LIVINGSTON**  
Insurance Adjuster  
Specializing in Health & Accident and  
Life claims.  
Rates and reference furnished upon request  
Coleman Texas

**G. H. MERCIER CO.**  
Insurance Adjusters  
DALLAS & HOUSTON  
Send Claim Files to 914 S. W. L. Bldg.,  
DALLAS, TEXAS

**WISCONSIN**

**Lee W. Bort, Inc.**  
Independent Adjusters  
Home Office: Beloit, Wis.

MATTHEW J. O'BRIEN JOSEPH RICE  
**CASUALTY SERVICE CO.**  
INVESTIGATIONS & ADJUSTMENTS  
ALL CASUALTY LINES  
A. M. Rice, Mgr., Milwaukee Branch  
490 BROADWAY MILWAUKEE

**WILSON S. LEVENS**  
AND COMPANY  
ADJUSTERS  
MILWAUKEE

**THOMAS T. NORTH**  
ADJUSTMENT COMPANY  
Automobile and Side Line Losses  
A Specialty  
A. E. S. PRIOR, Mgr., Milwaukee Branch  
301 Underwriters Exchange Bldg.  
MILWAUKEE

**NURNBERG-SCHIFFLER & CO.**  
General Adjusters  
Underwriters Exchange Bldg.  
MILWAUKEE  
490 Broadway Phones-Broadway 7318  
7315

# IT PAYS to be an Aetna-izer!

**ÆTNA AGENTS** are furnished with a wealth of business-getting material of various kinds—all of which makes their work easier and more productive.

*Ætina National Advertising*

*Window Display Service*

*Pictorial Poster Service*

*Poster Service*

*Theatre Slides*

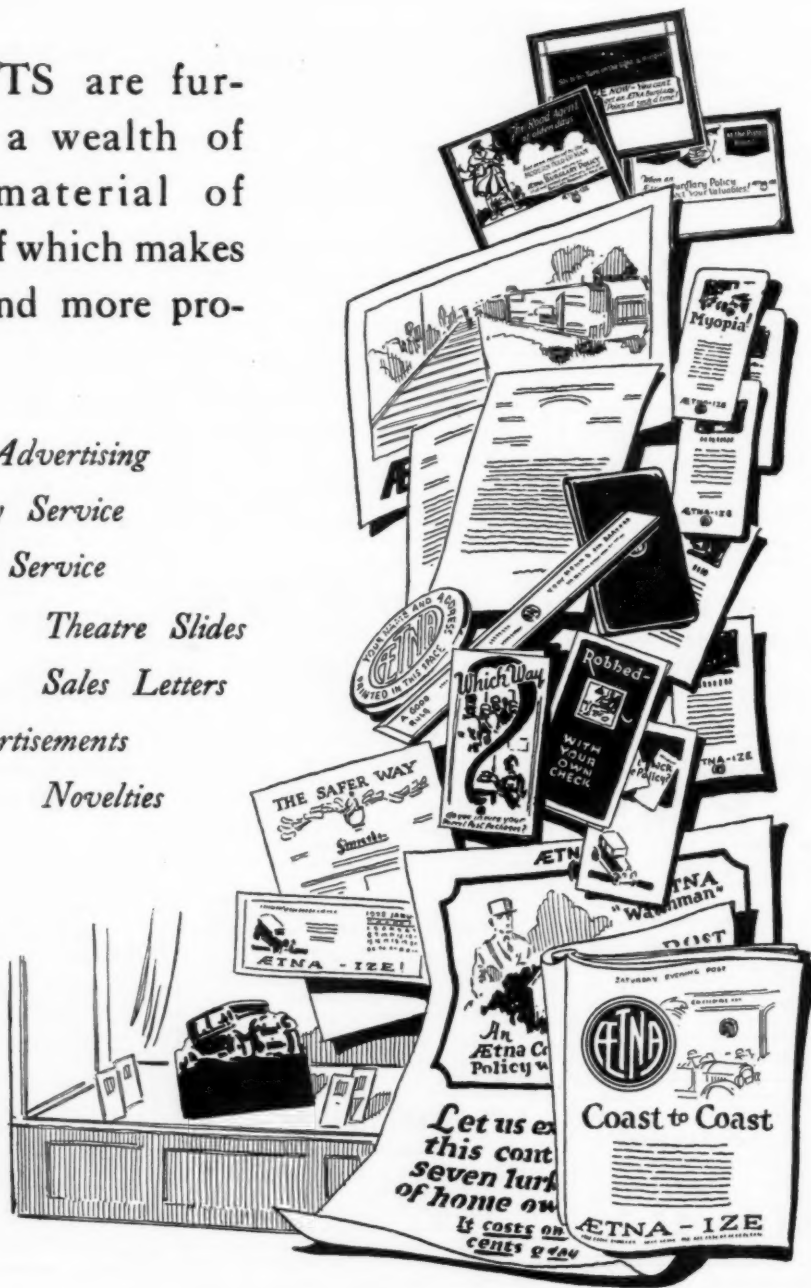
*Sales Folders*

*Sales Letters*

*Newspaper Advertisements*

*"The Safer Way"*

*Novelties*



**ÆTNA LIFE INSURANCE COMPANY**

*and affiliated companies*

**ÆTNA CASUALTY & SURETY CO. AUTOMOBILE INSURANCE CO.**  
of Hartford, Connecticut



# The National Underwriter

January 26, 1928

CASUALTY AND SURETY SECTION

Page Forty-three

## OCEAN ACCIDENT WILL NOT RENEW CONTRACTS

Through with Bank Association Business When Present Arrangements End

## INITIAL AGREEMENTS OLD

National Association Frowns on Practice Which Gives Commission to Organizations' Secretaries

NEW YORK, Jan. 25.—When the present contracts of the Ocean Accident & Guarantee with the various state bank associations for writing burglary and holdup insurance for their members expire, the arrangements will not be renewed. This decision on the part of the management of the corporation was not induced through the recent agitation on the subject by the National Association of Insurance Agents, but was determined upon some time ago. Business of this character which once constituted a considerable percentage of the total bank writings of the Ocean Accident has been steadily reduced during the last few years and at the present time the only contracts in force are those with the state bank associations of Alabama, Arkansas, Kansas, Kentucky, Michigan and Missouri. These will likely be terminated in the near future; the management, for a variety of reasons, having concluded to seek bank business direct rather than through the medium of the organized associations.

### Made 25 Years Ago

Initial contracts with bank associations were made fully 25 years ago, the financial organizations authorizing the placing of the business through their respective secretaries who received the customary commission of 30 percent. The revenue thus obtained materially reduced the amount of salary which the associations would otherwise have had to pay their representatives.

Back in 1919 the Ocean Accident cancelled the contract it had with the Tennessee association, feeling that the action would release additional business to the burglary writing companies for general competition, but was chagrined to discover that the arrangement was promptly taken over by a rival institution. The Ocean Accident protested the action to the Burglary Insurance Underwriters Association, which then adopted the rule still in existence that although no member company might take on a new contract with a state bank association, it was free to make an arrangement in competition with a rival office.

### Others Have Contracts

In addition to the Ocean Accident several other burglary writing companies have contracts with state bank associations, a situation that seemingly did not particularly interest the agents of the country, no complaint having been made until the question was raised

## MICHIGAN DEPARTMENT TO INVESTIGATE RATES

## GET OTHER STATES' FIGURES

Officials Protest Increase of Automobile Liability Rates—May Seek Regulation of Business

LANSING, MICH., Jan. 25.—Information in regard to automobile liability loss ratios in several other populous states is being obtained by officials of the Michigan department who recently protested against the recent increase in rates on this type of business. It is known that the departments of a number of states have been appealed to for figures on public liability experience filed with them by the various carriers.

Statistics have already been obtained from New York and Ohio. The average loss ratio for each of these states over a five year period has been slightly lower than that of Michigan. Department officials are said to be rather firmly convinced that these reports are upholding their contention that there was little justification for the companies' action in increasing rates a country wide average of 16 1/2 percent. The reported loss ratio in New York, Ohio and Michigan, over a five year period, is declared to be less than 40 percent, when figured strictly on a basis of premiums collected compared with amounts paid out in settlement of claims.

### Will Seek Regulations

There is every indication, according to local observers of capitol affairs, that there will be a determined effort on the part of the department to place on the Michigan statute books at the 1929 session of the legislature adequate laws regulating automobile business the same as fire and compensation rates are now controlled. The present protest against the public liability boost is admittedly futile because of the lack of laws giving the department jurisdiction over the business but the department officials appear to be far from convinced by the arguments advanced in favor of the increase. For that reason it is believed that the statistics are being obtained at this time in order that the department will be prepared to go to the legislature at its next session asking for greater authority along this line. It is firmly contended that, company actuaries to the contrary notwithstanding, experience reported to the state departments over a period of years represents a fairly accurate gauge of how the business is faring, although it is admitted that there are undoubtedly some hidden expenses such as those incurred through litigation.

by the National association some 10 days ago. The issue came up through an inquiry put by one of the prominent companies of this city as to the attitude of the National association with regard to the practice, indicating that it had opportunity to effect several additional contracts with state bank associations but was unwilling to do so if the practice was objectionable to the agency force. The executive committee of the National association, at once queried the officials of some seven states particularly mentioned and in every case the

## ELECT BOARD CHAIRMAN FOR FIDELITY & DEPOSIT

## ANNOUNCE FINANCIAL REPORT

Gain in Gross Premiums of \$486,937—Fidelity Losses Highest in Company's History

BALTIMORE, Jan. 25.—W. Bladen Lowndes, who recently succeeded Van Lear Black as president of the Fidelity Trust Company of Baltimore, was elected chairman of the board of the Fidelity & Deposit at the annual meeting, also succeeding Mr. Black, who had held the position since 1920.

President Miller of the Fidelity & Deposit told the directors that Mr. Black desired to be relieved of executive duties because he planned to travel extensively this year. Mr. Black will continue to serve on the board and as a member of the executive committee.

Donald Symington and Clarence W. Watson resigned as directors. Another vacancy was caused by the death of Ralph Van Vechten of Chicago. The vacancies were not filled.

### Gross Assets Gain

Gross premiums of the Fidelity & Deposit last year were \$15,764,421, compared with \$15,277,484 in 1926, an increase of \$486,937 according to the annual report of President Charles R. Miller. Net premiums were \$12,348,464, a gain of \$256,287. Income from investments was \$904,299, compared with \$887,474 the year before. The year's addition to undivided profits was \$619,748, against \$888,963 in 1926. The gross assets of the company at the close of business Dec. 31, 1927, were \$24,186,317, an increase during the year of \$1,694,274.

The net premiums included \$10,813,725 on fidelity and surety and \$1,534,739 on burglary business.

Net income from investments, including real estate, was \$904,299. Surplus amounted to \$3,782,421, exclusive of appreciation in the market value of investments.

### Loss Ratio Higher

The loss ratio upon an incurred basis was 43.2 percent, or 3.1 percent more than in 1926. Fidelity losses were greater in 1927 than in any year in the history of the company. In recent years there have been several tendencies or causes which are contributing to this result. The number of holdups has been on the increase; enlarged coverage, especially to banks, has produced more and larger claims, and there is some danger—slight at the present time, Mr. Miller pointed out—that lax methods may be insidiously creeping into business operations, dulling the sense of personal responsibility and undermining the morale of organizations. The expense ratio for 1927 was 48.5 percent, or 1.3 percent less than in 1926.

response held the practice to violate the principles of the agents' organization.

### Agents Not Interested

Company men declare that the primary reason that actuated them in effecting contracts with state bank associations was the inability or the unwillingness

(CONTINUED ON NEXT PAGE)

## SURETY OFFICIALS SEE PROGRESS MADE

Believe That Conditions in the Business Are Showing Some Improvement

## ACQUISITION COST UP

Some Officials Are Urging a Standard Power of Attorney to be Given to Agents

NEW YORK, Jan. 25.—The meeting of the Surety Association of America and the acquisition cost conference last week in New York City has brought out the question as to whether the companies are making any progress in their new program of cooperation, both in the effort to stabilize acquisition cost and to bring about more hearty and effective cooperation as to practices in the field.

One of the big factors confronting the surety business today is the entrance of a number of new companies into the field. They are all seeking agents and business. Some of them are allied with large fire companies. Undoubtedly they will make a dent. There has been a much livelier drive for business on part of the old time companies than heretofore. Companies writing multiple lines have sought to increase their business, especially in those departments where there was hope for profit in view of the big loss in the workmen's compensation end of the business. All together therefore the competition in the surety field has been exceedingly sharp and has accelerated materially in the last five years.

### Acquisition Cost Agreement

So far as the acquisition cost agreement is concerned, it cannot be said to be functioning satisfactorily although undoubtedly many companies are observing the rules to a considerable extent as to new appointments. They are protecting for the most part their old agents. They feel this to be essential because if they give them up some other company will come along and take them at the present commission they are receiving or even increase it. In some points commissions have been shot up far beyond the normal amount. It is the hope of the surety underwriters to accomplish more as time goes on. With the very acute competitive conditions in the field, it is difficult to get the production departments of companies enthused over any readjustment. It means in 99 cases out of 100 that an agent is grabbed up with avidity as soon as his commissions are cut down by his old company.

### Standardization of Practices

Small progress has been made undoubtedly in standardizing field practices. In some states, Iowa and Minnesota notably, there has been much rebating and the appointment of contractors and their employees as agents in

order to allow a commission to be paid. An attempt has been made to clear up these conditions. A start has been made and probably a little improvement is seen.

One of the most invidious practices when it is used in competition is the liberalization of the power of attorney and the granting of extraordinary privileges to agents. This opens the way of course to all kinds of dangers. Companies desiring to attract agents promise very liberal authorization. This has resulted in forcing even conservative companies to extend their powers here and there. In some cases where agents have not used good judgment and have been out for the business regardless of quality, serious results have followed. Some company officials are arguing very strongly for a standard authorization for agents. This would serve to reduce a form of competition that is most dangerous.

#### Force of Outside Companies

The surety companies belonging to the Surety Association found that many outside companies were able to thrive and prosper because they could get reinsurance from association companies. Therefore they could take care of any business offered. They could beat the conference companies at their own game, charge a lower rate, get the business and then secure reinsurance from the conference companies. The purpose therefore of the Surety Association companies to confine reinsurance strictly to members has had a very salutary effect. At times the outsiders have been squeezed very hard to secure reinsurance and have had to resort to other sources than the regular surety companies.

#### R. A. Person Resigns

Ralph A. Person of Cleveland, who has been field supervisor in Ohio for the Standard Accident for the past year and a half, is severing his connection with that company Feb. 1. Prior to his connection with the Standard Accident Mr. Person was, for eight years, regional supervisor in the central west territory for the Ocean Accident and Columbia Casualty. Prior to that he was with the old Metropolitan Casualty under former President E. H. Winslow for four years as special agent in the eastern half of the United States. Mr. Person has concluded no arrangements for the future as yet but expects to soon be able to make an announcement of interest to his friends.

#### National Surety's Figures

At the annual meeting of the National Surety the financial statement was read showing net premiums last year \$17,569,504, total income \$20,338,909. The dividends were \$1,250,000 and the net earnings carried to surplus \$1,801,703, making a total of \$3,051,703, or 20 percent on the recently increased capital of \$15,000,000. The net surplus is \$12,415,078. The National Surety has set up a special loss reserve of \$695,790.

### OCEAN ACCIDENT WILL NOT RENEW CONTRACTS (CONT'D FROM PRECEDING PAGE)

of local agents to solicit bank business. Even after such agreements were terminated risks of the character in question were secured in very large degree through their branch offices or large general agents, the local representatives paying scant attention to the business. Such bank association contracts as were effected were almost wholly with states of the west and the south, Pennsylvania being the only one in the east having such a contract. A deal of this character was made with the New York State Bankers Association a number of years ago, but was cancelled when the attorney general held it to be in violation of the state banking act.

### ROTHCHILD RESIGNS FEDERAL SURETY POST

#### JOINS WILLIAM DANNE OFFICE

George Wolfe and E. H. Steffelin Are Appointed Cook County Managers for Federal

W. L. Taylor, vice-president and general manager of the Federal Surety, announces the resignation of K. V. Rothchild, resident manager of the company's branch office in Chicago. Mr. Rothchild has been with the company since it opened the branch in 1925. He is resigning to become associated with the general agency of William C. Danne & Co., with offices in the Insurance Exchange, Chicago. He leaves with the best wishes of the home office officials of the company.

#### Cook County Managers Named

Mr. Taylor also announces the appointment of George W. Wolfe and



K. V. ROTHCHILD

E. H. Steffelin as Cook county managers for the Federal Surety and the Standard Federal Fire. The latter company is a consolidation of the Standard American Fire of Chicago and the Central Federal Fire of Davenport, Ia.

Mr. Wolfe and Mr. Steffelin were formerly president and secretary, respectively, of the Standard American. They have a general agency which will be consolidated with the branch office of the Federal Surety.

#### Expansion in Surety Planned

Mr. Rothchild is giving up managerial duties so as to give him more time for the development and care of his personal business. He will also cooperate with the Danne office in handling and developing surety business, which will be aggressively expanded.

Before going to Chicago Mr. Rothchild was for five years vice-president of William B. Joyce & Co. of St. Paul, Minn. He also was active in the affairs of the National association, having served on the executive committee for two years, and subsequently was chairman of the casualty and surety committee. In Minnesota Mr. Rothchild was active in the affairs of the Minnesota state association, having been chairman of the executive committee and a director of the Minnesota Insurance Federation. He was a member of the executive committee of the Surety Underwriters Association of Chicago in 1927.

Mr. Rothchild's experience in the insurance field covers a 15-year period, chiefly in the direct production of fire, casualty and surety business.

### AETNA LIFE STATEMENT SHOWS GAIN FOR YEAR

#### BIGGEST IN LIFE DEPARTMENT

Accident Department Reports Slight Decrease in Premium Income as Compared With 1926

HARTFORD, Jan. 25.—The Aetna Life had a remarkable year in 1927, according to its annual statement. President Morgan B. Brainard reported a surplus of \$26,003,082, an increase of \$6,308,072 for the year. This was the largest increase in the history of the company, not only in amount but also in percentage, the gain being 32 percent.

The company's total premium income in the life department for the year was \$70,093,619, a gain of \$8,600,615 or 14 percent. Premium income in the accident department was \$31,653,468, or about \$217,000 less than in 1926.

#### Total Income Shows Increase

The total income for the year in the life department was \$86,133,722, an increase of \$4,392,023 or 5.4 percent for the year. The 1926 total of \$81,741,699, however, included \$4657,850 paid in surplus. Eliminating that amount, the increase in income this year was \$9,049,873, or 11.7 percent.

The total income of the accident department for the year was \$33,057,805, compared with \$33,228,028 in 1926. The combined total incomes for 1927 were \$119,191,527, compared with \$114,969,727 in 1926.

Total disbursements in the accident department were \$31,384,258 in 1927, compared with \$33,779,243 in 1926. The net amount paid for losses and matured endowments in the life department was \$27,621,260, compared with \$26,210,838 in 1926, an increase of 5.4 percent.

#### Accident Department Figures

The accident department reported an underwriting loss of \$466,793 for the year, as compared with a loss of \$2,776,322 in 1926. Whereas the accident department reported a loss of \$2,035,668 in investments in 1926, due almost entirely to a write-off in the value of Automobile stock carried, the report shows an investment profit this year of \$1,530,562. The statement shows an investment gain of \$2,700,045 in 1927, compared with a loss of \$855,381 in 1926.

Total admitted assets as of Dec. 31, 1927, amounted to \$338,746,658, an increase of \$38,336,750, or 12.6 percent for the year. The net reserve was reported as \$228,872,018, an increase of \$22,996,248, or 11.3 percent.

#### Aetna Casualty & Surety

The Aetna Casualty & Surety added \$2,389,549 to surplus, making that item \$9,524,032. The gain was 33.4 percent for the year. The statement this year shows an increase of \$500,000 in a special reserve set up for contingencies, leaving this figure at \$1,000,000. In addition the company increased its unearned premium reserves \$263,466 to \$10,626,134. The increase in reserves for the year was 2.5 percent. The total admitted assets were reported as \$31,601,484, compared with \$27,672,539 Dec. 31, 1926, an increase of 14.2 percent.

#### Underwriting Results Favorable

The premium income in 1927 was \$17,294,273 compared with \$17,335,620 in 1926, a decrease of 0.3 percent. Interest and rent income showed an increase of 16.7 percent, having been \$1,073,548, compared with \$919,560 in 1926. Profits from the sale of securities in 1927 showed an increase of 2.6 percent, amounting to \$18,777,947.

Underwriting results were among the most favorable, if not the most favorable, in the history of the company. The gain from underwriting profit and loss items was \$834,668, compared with \$266,681 in 1926, a net of 213 percent. Gains from investment profit and loss items amounted to \$1,267,286 in 1927 and

### MARYLAND PRESIDENTS CALL TAXES BURDENSOME

#### COMPANIES PAY HUGE SUMS

Paid More to State in Taxes Than Stockholders in Dividends Last Year

BALTIMORE, Jan. 25.—The subject of taxation came in for special mention by the heads of three Baltimore casualty companies which held their annual stockholders' meetings the past week. Taxes imposed on such companies chartered in Maryland, were referred to as burdensome, and it was pointed out that if the local charters were abandoned and the companies incorporated in another state big economies would result.

Charles R. Miller, president of the Fidelity & Deposit, said the tax burden is growing so heavy as to cause grave anxiety. The Fidelity & Deposit, he stated, paid more than twice the taxes last year it would have paid if chartered under the law of another state.

#### Stockholders Penalized

"Stockholders are penalized for investing in Maryland corporations engaged in the surety business," he added. "There are no advantages to offset this penalty. The Maryland companies can not increase rates on account of this additional tax, as they are competing in Maryland with companies which received more liberal treatment from their home states. Unless some relief is given we must stand our additional burden on an equal competitive basis as to rates and be at some disadvantage in our earning capacity."

F. Highlands Burns, president of the Maryland Casualty, pointed out in his statement to stockholders that taxes were 21 percent on the company's capital. This company disbursed more taxes than it did in dividends to its owners. Tax payments totaled \$1,067,593, compared with dividends of \$999,996.

#### Need Sympathetic Attention

R. Howard Bland, president of the United States Fidelity & Guaranty, said the subject of taxation of insurance companies is one which should receive more sympathetic attention from the public than is now the case.

Insurance companies probably pay higher taxes, he stated, than any other class of corporations, yet whenever a state needs more revenue the insurance companies are usually the very first to have additional taxes imposed on their already heavy burdens. In 1927 the United States Fidelity & Guaranty paid in taxes \$1,471,099, an increase of \$51,595 over the previous year. This was slightly more than the \$1,432,500 paid to stockholders in dividends.

\$436,477 in 1926, or 191 percent. The gain from investments during the year amounted to \$2,294,980, compared with \$1,339,996 in 1926.

Total gains from underwriting and investments in 1927 amounted to \$3,121,549 and in 1926 to \$1,606,677, or an increase of 94.8 percent.

#### General Indemnity's Increase

The General Indemnity of Rochester, N. Y., has increased its capital from \$100,000 to \$1,000,000. The new stock was paid for on a basis that added \$293,000 to surplus, which according to its last statement was \$206,368. The General Indemnity is owned by the Todd Protograph Company and writes check forgery and alteration policies. In December, 1924, it reinsured all the outstanding business of the Metropolitan Casualty in these lines and has not since transacted business directly. It is now understood that it will renew its writing direct business.



## ROWE TRACES GROWTH OF HIS ORGANIZATION

President of Metropolitan Casualty  
Addresses Men at Its Buffalo  
Agency Dinner

### IN CONTROL THREE YEARS

Company's Annual Premiums Were  
\$2,713,051 in 1924—Now Ap-  
proximately \$11,500,000

J. Scofield Rowe, president of the Metropolitan Casualty, was guest of honor at a dinner on the evening of Jan. 16, at the Buffalo Athletic Club, given by the John P. Hancock Company to mark the event of their recent appointment as general agents of the Metropolitan in Buffalo and Niagara Falls following the discontinuance of the Metropolitan's Buffalo branch office. As recently announced, the John P. Hancock Company merged with Park, Thomas & Co. of Buffalo and has a capital and surplus of \$350,000 with which to finance business development plans. This promises to make it one of the largest agencies in western New York.

The dinner was attended by about 75 agents, brokers and invited guests, John P. Hancock acting as toastmaster. Short talks were made by officers of the Hancock Company and by prominent agents. Of particular interest were the remarks of President Rowe of the Metropolitan reviewing the company's growth since it changed from an exclusive plate glass company in 1924 to a casualty and surety organization.

#### Shows Remarkable Growth

"When we took over control of the company in October, 1924," said Mr. Rowe, "our annual premiums were \$2,713,051. They are now approximately \$11,500,000. In that period of a little over three years our agents have increased from 811 to more than 2,800, our branch offices from three to fifteen (including five service branches), our salaried staff from 90 to more than 450, our home office staff from 141 to more than 600. Corresponding growth is reflected on our books. From assets of \$3,075,617 in 1924, we have passed the \$15,000,000 mark. Our reserves today exceed \$10,000,000 as compared with \$1,958,740 in 1924. Our capital and surplus then was \$1,117,000, whereas our present capital and surplus, allowing full credit for unpaid premiums which will unquestionably be collected, is over \$5,000,000."

#### Experience for 1927

Commenting on the Metropolitan's experience in 1927, Mr. Rowe observed: "Although final figures are not yet available, we have completed a most interesting, eventful and successful year. Several important agency changes were made during 1927, for the most part to eliminate undesirable territory and some undesirable business. We greatly curtailed our employers' liability and workmen's compensation business and discontinued entirely insurance on coal mines, formerly carried on a 50 percent share basis for the General Reinsurance. "During 1927 our loss reserves have been marked up to cover the maximum expectancy, both on old and new claims. Having written a substantial volume of long term business, legal requirements obviously called for a correspondingly increased premium reserve."

In concluding his remarks, President Rowe touched on an interesting and enlightening way upon phases of the Metropolitan growth particularly interesting to stockholders. "During the past three years," he pointed out, "the Metropoli-

## NO OPINION RECEIVED ON REVISED AUTO RATES

### OKLAHOMA OFFICIAL SILENT

New Hampshire Commissioner Voices  
Protest on New Liability Tar-  
iffs—State's Losses High

NEW YORK, Jan. 25.—Though several weeks have now elapsed since the experience, upon which the increase in automobile liability rates in Oklahoma was based, was filed with the insurance commissioner of that state, no word as to the approval or disapproval of the revised tariffs had been received. The interested companies are at a loss to account for the delay.

Protest against the new figures was made by the commissioner of New Hampshire, who set a date for a hearing on the subject. Without waiting for such hearing the National Bureau of Casualty & Surety Underwriters has sent Commissioner Sullivan complete data covering the loss experience for the four years prior to 1927, these attesting that the advance applied by the companies in the state was more than warranted.

#### High Loss Ratio

For some unaccountable reason the loss record on automobile liability insurance in New Hampshire is and has been greater than that of other adjoining states. For this reason it is difficult for the company officials to understand the attitude of Commissioner Sullivan, who in all previous dealings with the companies has taken a very reasonable position. The president of the New Hampshire Agents Association is due to arrive in this city today when the reason for the imposition of the new tariffs will be fully gone into with him, enabling the dissemination of the information among all of the local men of the state.

#### W. M. Amerine with Zurich

Warren M. Amerine, who has been assistant secretary of the Georgia Casualty at its head office, has joined the underwriting forces of the Zurich at its head office in Chicago.

#### Washburne With Century

The Century Indemnity announces that Charles Washburne has entered its service in the agency department at the home office in Hartford, Mr. Washburne having resigned from the London Guarantee & Accident after having been 32 years with that organization.

During practically all of his association with the London Guarantee, Mr. Washburne was in the claim department, first in New York and later being transferred to Chicago when the home office of the company was located in that city. When the home office moved to New York Mr. Washburne moved with it.

tan has paid its shareholders \$900,000 in cash dividends—that is, \$4.00 per share on a par value of \$25, or at the rate of 16 percent. By continuing to pay substantial dividends during this period of rapid expansion, the Metropolitan has set a record never equalled in insurance company history, the almost universal practice having been to omit dividends altogether during the first five or six years of development, utilizing all earnings to build up a surplus account for financing new business.

"Our interest earnings on invested assets, moreover, are now in excess of \$5.00 per share, or more than 25 percent in excess of present dividend requirements. In short, our organization and financial strength have been steadily improving and we have met only those normal difficulties common to the adjustment of a rapidly growing business."

## MARYLAND CASUALTY MADE GOOD SHOWING

### ANNUAL FIGURES ARE GIVEN

President Burns Submits Report and  
Presents Some of the High Spots  
for 1927

President F. Highlands Burns of the Maryland Casualty has submitted his annual report, showing total net premiums \$29,403,001, commissions, \$6,603,236, total acquisition and administrative cost, \$9,682,057, total paid for direct service to policyholders including indemnities, \$16,694,039; amount paid for indemnities \$11,399,070; increase in premium reserve \$95,179, increase in claim reserve other than liability and compensation \$451,969, increase in liability and compensation reserve \$1,193,711, added to surplus \$700,505. The premiums for the year are \$609,000 less than the year before and the losses \$360,000 less. The assets increased \$3,384,000. The taxes were 21 percent on the capital. The company has set aside contingency reserve amounting to \$150,000 to take care of depreciation and any other contingency. A regular dividend of 18 percent was paid during the year with an extra 2 percent in December. The assets are \$44,168,682, capital \$5,000,000, premium reserve \$13,368,068, compensation and liability reserve \$11,909,524, other claim reserve \$4,055,850, net surplus \$6,811,197.

#### Will Celebrate Anniversary

The Maryland Casualty will celebrate its 30th birthday anniversary Mar. 1. During the three decades it has written \$329,367,000 gross premiums and \$313,036,000 net. It has paid \$159,563,000 in losses and loss expense and \$10,134,430 in dividends. Its capital has been increased from \$250,000 to \$5,000,000. Its surplus is increased from \$100,000 to \$6,811,000, not including \$1,250,000 additional reserve for contingencies. Its assets have increased from \$350,000 to \$44,168,000. President F. Highlands Burns has been connected with the company since it started. Three of the present directors, Alexander Brown, a retired banker; William J. Donnelly of the Baltimore insurance firm of Maury, Donnelly, Williams & Parr and J. William Middendorf a retired banker, who are now on the board of directors were organization directors.

## MUCH INTEREST TAKEN IN DRIVERS SCHOOL

Some insurance men are interested in the motor drivers school being conducted in the drill hall of the Capitol building in Chicago. The meetings are held once a month. They are conducted under the auspices of the Chicago Safety Council. In these meetings, owners, operators and drivers of commercial vehicles, trucks, taxicabs and motor busses have a decided interest. The first meeting was held Thursday evening of last week when E. D. Jackson was to talk on "Traffic Safety." W. O. Hinckley, superintendent of automobile transportation for the People's Gas Light & Coke Company, is chairman of the committee in charge of the school. There are three insurance men on the committee, they being C. H. Smith of Marsh & McLennan, J. C. Bradley of the Zurich, and Andrew Melody of the Travelers.

#### New Bill in New York

A bill has been introduced in the New York legislature providing that the owner of a motor vehicle shall not be subject to action brought by any passenger, for injury or death through the negligent operation by the person driving the car, with the owner's permission, provided the owner carries public liability insurance covering a person legally operating such motor vehicle.

## LLOYDS OF LONDON CAPTURES BUSINESS

American Carriers Almost Ex-  
cluded From Bankers' Blanket  
Bond Writing Field

### ENGLISH FORM BROADER

American Company Representatives Ad-  
mit Inability to Compete Against  
Unregulated Carriers

Lloyds of London has so far progressed in the bankers' blanket bond department of the surety field in the United States, which it opened some years ago, that it originally obtained and still controls the bulk of the business in most of the major and second-class cities of the country and is now reaching out into the smaller centers. Representatives of American stock companies say that the Lloyds' progress has been steady and that the end is not yet.

More important, the American men say frankly that they have few arguments to bring against Lloyds, and in the main rely on patriotism to native institutions to keep some of the business on the books.

#### Organization Unrestricted

Little hope for a change in the situation is seen unless Lloyds can be brought under direction for taxation and licensing. The organization at present works unrestricted, and against unrestrained competition the companies of the United States are almost helpless.

One argument that sometimes results in business for the carriers of the United States is that in the event of a contested claim, it is alleged, the claimant must journey to London to state his case. However, since failure to pay claims is known not to be one of the characteristics of the organization, occasions for presenting this argument are few.

#### Overhead Slight

Because the organization works without much overhead even in the matter of investigation of losses, and their adjustment, it can give a rate that the American companies cannot give. Surety men in this country say that when Lloyds figures and American figures are before a prospect when business on the line is sought, appeals for the maintenance of native institutions usually fall on deaf ears. The buyer of insurance protection in the bond field is a business man first and last, and the dictates of business compel him to make the smallest possible expenditure for the greatest possible return.

A well-known surety man of the middle west cites the case of the head of a large financial institution who agreed to the withdrawal of a very large sum of insurance company money rather than pay the higher rate for American company protection. The Lloyds rate was so much lower that it more than offset the potential investment yield of the insurance company's money.

#### Lloyds Form Broad

That the Lloyds form is broader than the standard American form is well-known to surety men and has become generally known to those interested in the bankers' blanket bond. Yet the American companies by adopting their present form, prove they feel that it is as broad as it can be, their safety considered.

In the matter of overhead, another surety man late last week cited an adjustment feature of Lloyds' policy that recently came to his attention. Lloyds

(CONTINUED ON PAGE 56)

## BANKERS INDEMNITY INSURANCE COMPANY

In 1827 heavy accident judgments were rare, hence there was no demand for liability insurance. That was one hundred years ago.

In 1887, about the time liability insurance was first sold here, policies carried limits of \$5,000/10,000. That was forty-one years ago.

In 1928, now, we are confronted with the record of verdicts greatly exceeding the limits of forty-one years ago, while the dictionary description of insurance, "making oneself safe against something" stands as an accusation against those by whom insurance is provided.

The minimum or basic limits sold by this Company are \$7,500/15,000 for personal injuries and \$1,500 for property damage.

Be a 1928 agent. Sell "Bankers Indemnity" policies and increase your clientele.

## Operating in the following States:

Connecticut	District of	Michigan
Rhode Island	Columbia	Illinois
New Jersey	Maryland	Indiana
Pennsylvania	Delaware	Minnesota
	Ohio	Wisconsin

LIABILITY — COMPENSATION — BURGLARY —  
PLATE GLASS — ACCIDENT & HEALTH

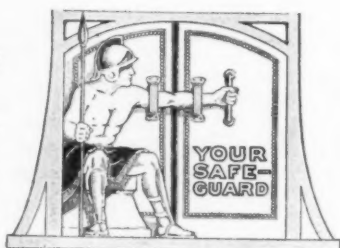
Address Agency Department for particulars

## BANKERS INDEMNITY INS. CO.

Capital, \$500,000

Surplus to Policyholders Over \$1,200,000

Head Office  
24-30  
Commerce St.  
NEWARK  
N. J.



BRANCH  
OFFICES  
Philadelphia  
Chicago  
Pittsburgh  
Columbus  
Hartford

FREDERICK E. WILKENS, Vice-Pres. and Gen. Manager

Get out of the "DANGER ZONE"—into the "SAFETY ZONE"

ORGANIZATION KEEPS  
INFORMED ON SOLONS

## WATCHES STATE LEGISLATURE

Louisville Casualty & Surety Agents  
Association Keeping Track of Two  
Bills Affecting Insurance

LOUISVILLE, KY., Jan. 25.—The Louisville Casualty & Surety Agents association is watching carefully several bills in the Kentucky legislature. One of these would increase medical allowance under the workmen's compensation act from \$200 to \$400, and the minimum weekly compensation from \$5 to \$7; and maximum allowance from \$15 to \$18. Another bill that needs watching is a general liability bill, No. 22, in the house.

It is reported that labor has a strong lobby at Frankfort this year, and there appears to be a favorable feeling toward labor bills in the legislature.

The local association has named a legislative committee of six men, three representing casualty interests, and three representing surety interests, these six men operating as a joint or general committee, of which John R. Faulkner, manager of the Aetna Casualty & Surety, is chairman. On the casualty committee are George Updike, Travelers; J. J. Fleming, United States Casualty, and John J. Barrett, of Barrett, Robinson & Dickey. On the surety committee are Lewis Y. Johnson, American Surety; George Heaton, National Surety, and J. Morton Morris, Fidelity & Deposit.

J. J. Fleming, United States Casualty, is secretary of the local association, and is actively handling the legislative work. Harry Levy, Aetna, is vice-president, and Thomas S. Dugan, branch manager for the United States Fidelity & Guaranty, is president, having been elected at the annual meeting in December.

Great Interest Shown  
in Hartford Contest

THE Hartford Accident & Indemnity reports that agents and brokers throughout the country have manifested great interest in the announcement of the awards that appeared in a recent issue of THE NATIONAL UNDERWRITER.

There have been some questions asked as to whether or not agents are required to write upon all of the topics suggested by the "reporter." This is not essential. An agent may choose these subjects as he sees fit, or his paper may deal with one of them only.

The subjects mentioned are the reasons for the growth of the casualty and surety business, the agent's opinion of compulsory automobile insurance, the tendencies and influences of workmen's compensation insurance, the question of whether or not states themselves should venture into the insurance business, the value and practicality of state insurance funds, and the attitude of companies in meeting claims and dealing with the public. Papers are not to exceed 1,500 words and should be addressed to the home office of the company.

## Drop Plate Glass Experience Rating

NEW YORK, Jan. 25.—Company members of the plate glass division of the National Bureau of Casualty & Surety Underwriters, as well as those subscribing to the W. F. Moore service of this city, ceased writing plate glass business under the experience rating plan, as soon as objection was made by the New York department. There was a suggestion on the part of certain companies to continue the plan outside New York state, on the theory that the home department had no proper jurisdiction beyond its territory, but it was finally agreed to conform to the views of Superintendent Beha the country over.

OFFICERS, DIRECTORS  
FOR 1928 ARE CHOSEN

## OPPENHEIMER IS PRESIDENT

Casualty & Surety Association of Kansas City Elects Executives for Coming Year

KANSAS CITY, Mo., Jan. 25.—George Oppenheimer, of Oppenheimer Bros., of this city, was elected president of the Casualty & Surety Association of Kansas City, at the annual election last week. Mr. Oppenheimer has been active in association work here for a number of years and from 1922 to 1926 acted as president of the Insurance Agents association of Kansas City. Other officers elected were: Myron Platt, manager Travelers, vice-president; Walter Anthony, Kansas City Insurance agency, second vice-president; W. A. Osgood, Osgood agency, secretary; W. Robert Evans, manager American Surety, treasurer. The executive committee consists of the officers, and the following members appointed at the meeting: Frank Wilbur, McClure-Wilbur; P. O. Draper, National Surety; W. J. Gibbons, Detroit Fidelity & Surety; L. L. Bebout, U. S. F. & G.; A. P. Nichols, Turner-Nichols. W. G. Welch of Mann, Barnum & Welch was appointed chairman of a committee to draft a new constitution and by-laws for the association.

The Casualty & Surety Association is collecting statistics on residence burglary and personal holdup losses in Kansas City with a view to finding out whether there has been an improvement within the past four or five years.

EMPLOYEES' CLUB PROVES  
SUCCESSFUL IN DES MOINES

DES MOINES, Jan. 25.—Something unique in the way of an employees' club has been worked out in the Des Moines office of the United States Fidelity & Guaranty by J. Dillard Hall, manager for Iowa and Nebraska, the Hawkeye-Cornhusker department. It is known as the "Advancement Club," with 18 members consisting of department heads and field men. The club meets regularly every Saturday morning and holds a round table discussion for an hour or so, which is featured by an informal talk given by one of the members on some phase of underwriting. This is followed by general discussion during which the members discuss what they have accomplished the past week and make plans for the coming week's work. The club meeting answers many questions that would otherwise either not arise or would be difficult for any one department head to answer. It acquaints one department head with what the others are doing, and also eliminates much waste of time on the part of Manager Hall in answering the queries of field men in for Saturday only. The Iowa and Nebraska department, under Manager Hall, last year had a net premium volume of \$1,069,997, which was a gain of \$118,676 over 1926.

## Virginia Automobile Liability Bill

RICHMOND, VA., Jan. 25.—A bill pending in the Virginia legislature would make the owner of an automobile liable for any damage done by its operation by a member of his family or by any other person operating it without his consent.

## Novel Automobile Claim

A new automobile claim gives perplexity in Pittsfield, Mass., in the case of an automobile going through the lot when the policy reads "accidents on the highway." Two children lost their lives when a sedan in which they were riding across Cheshire reservoir crashed through. The Travelers has the insurance.



# Prestige

THE man who represents the F&D enjoys the distinction of being affiliated with the "pioneer" surety organization of the country.

During the years immediately following its organization in 1890, the F&D waged an aggressive campaign for Governmental recognition of corporate suretyship on the bonds generally required from Federal appointees and other public officials.

In August 1894, the F&D campaign finally bore fruit in the passage of an act by Congress, authorizing the acceptance of corporate surety on all bonds furnished to the Government. Similar laws were subsequently enacted in rapid succession by the various states.

It was the F&D's campaign, more than anything else, that aroused the public's interest in corporate surety and paved the way for the future development of the business. Thus, it may truthfully be said, that the F&D laid the foundation upon which the present great structure of corporate suretyship has been reared to success.

## FIDELITY AND DEPOSIT COMPANY

*of Maryland*  
BALTIMORE

FIDELITY *and* SURETY BONDS — BURGLARY *and*  
PLATE GLASS INSURANCE

*"Specialization Means Service"*

PRODUCTION DEPARTMENT  
FIDELITY & DEPOSIT COMPANY  
Baltimore, Md.

NU 126

If you are not already adequately represented in this territory I will be glad to have full information regarding an agency connection with your company.

(Signed) .....

Address .....

## BOSTON MAN PRESENTS SERIES OF QUESTIONS

### WANTS BUCKLIN TO ANSWER

President of Brokers Association Puts  
Queries on Mutual Plan to  
Liberty Chairman

BOSTON, Jan. 25.—President Harry A. Stevens of the Insurance Brokers Association of Boston has again addressed an open letter with questions on the mutual insurance plan to Walter S. Bucklin, president of the National Shawmut Bank and chairman of the board of the Liberty Mutual.

These questions were sent to Mr. Bucklin some months ago but Mr. Stevens is launching a campaign to secure an answer. The first question is: "Do you advocate the elimination of dividends on invested capital in connection with public utilities, manufacturing enterprises and banking through the mutualization of such enterprises?" The others are along the same lines.

The National Shawmut Bank is one of the largest financial institutions in New England and the Liberty Mutual is one of the hottest competitors for automobile insurance in Massachusetts.

### ANNUAL DINNER GIVEN TO WILLIAM B. JOYCE

NEW YORK, Jan. 25.—Officials, divisional heads and prominent field representatives of the National Surety and its related enterprises, the New York Indemnity, National List, and National Accounting Company, comprising the Alert Club, joined in tendering their annual dinner to William B. Joyce, chairman of the board and the master mind in directing the affairs of each of the corpora-

tions, here Friday evening. Vice-president H. J. Lofgren was chairman, with President E. A. St. John acting as toastmaster and William H. Kenny directing the entertainment features.

The contest winning branch managers and general agents were presented by Vice-president John L. Mee, a like service being performed by Vice-president J. A. Cochrane with respect to the contest winning forgery salesmen.

The concluding address by Mr. Joyce was in his characteristic vein, appreciative of what the field men had done in the past and inspiring to still greater efforts in the new year. A former agent himself and one of the most successful ever known in surety circles, Mr. Joyce knows the possibilities of the field, which were never so great as now.

### ECONOMIC LOSS FROM AUTOMOBILE ACCIDENTS

HARTFORD, Jan. 25.—It is estimated that an economic loss of more than \$6,190,000 was incurred in Connecticut in 1927, through 26,611 motor vehicle accidents. Property damage amounted to \$2,750,000, an increase over the previous year of about \$300,000. The loss because of deaths is estimated at \$3,440,000.

Connecticut statutes fix \$10,000 as the maximum amount which may be recovered by the heirs through court action for the loss of a life. On this basis the economic loss to the state because of the 344 deaths the past year may be estimated as \$3,440,000.

This amount is in addition to the cost of medical and hospital treatment for the 11,560 persons injured in motor vehicle accidents in 1927, a tremendous sum which it is considered might well be included in the minimum loss because of accidents. Another item of loss that remains unestimated is the amount lost to employers and employees because of the stoppage or decrease in the pro-

ductivity and earning power of the injured.

Of the 3,679 cars whose drivers were considered responsible for accidents, 2,497, or 67 percent, were covered by insurance.

### New Company in Newark

NEWARK, N. J., Jan. 25.—A charter has been approved for the Essex Fidelity & Plate Glass of this city, which plans starting with a capital of \$100,000 and a surplus of like amount. For a time the corporation will restrict its activities to writing plate glass insurance but eventually will enter into the fidelity line. Lippman & Lowy are promoters of the new organization.

### New Amsterdam Dividend

The directors of the New Amsterdam Casualty have placed the stock on a 28 percent dividend basis by declaring the first quarterly dividend of 70 cents a share.

### May Carry Up Nebraska Case

LINCOLN, NEB., Jan. 25.—Indications of an intention of carrying the case to the United States Supreme Court, if necessary, are given in the motion and brief of the Travelers Indemnity for a rehearing of the Beselin case from Omaha, where the court held that because there was no provision in a burglary policy that the failure to maintain the watchman that the applicant agreed to keep on duty should work a forfeiture, Beselin was entitled to recover in spite of the fact that he had discharged his watchman.

The company says the effect of this decision is to impair the obligation of contracts, and that it deprives it of its property without due processes of law, which are questions that can be raised in the federal courts.

The company sets up that the matter is of profound importance, since this form of policy is in general use by it the country over, and that if its terms are not enforceable it is important it should know that to be a fact.

## MINNESOTA MAN GOES TO FILL EASTERN POST

### ENGSTROM TO PHILADELPHIA

Aetna Transfers St. Paul Manager to  
Fill Vacancy Caused by Remington's Resignation

Theodore A. Engstrom has been appointed manager of the local branch office of the Aetna Life and affiliated companies in Philadelphia. He succeeds Harold K. Remington, who has just resigned to become vice-president of the Constitution Indemnity. Howard Hager has been appointed assistant manager and George T. Barber becomes assistant to the manager.

Mr. Engstrom goes to Philadelphia from St. Paul, Minn., where he has been in charge of the Aetna branch. He has been with the Aetna organization for 14 years and has been very successful in developing the business in the casualty department. Mr. Engstrom was an aviator in the world war and was for a short period with the Curtis Airplane & Motor Corporation in New York.

### Get Great American Indemnity

Randall & Tilman have been appointed general agents of the Great American Indemnity for Indianapolis and vicinity. The firm is composed of W. T. Randall and H. B. Tilman, who have been representing the Fidelity & Casualty in Indianapolis for the past five years, and S. Maholowitz, also a local representative of the Fidelity & Casualty for about 14 years. The firm writes all of the lines written by the Great American Indemnity and also is equipped to write all other lines of insurance, including the fire coverages, marine insurance and life insurance. They have offices at 612-13 Meyer Kliser Bank building.



*Many New Agents Appointed Every Week, yet our  
Field organization is not complete*

**Maryland Casualty Company**  
Baltimore

You are invited to join the Maryland  
family

Always room for one  
more



PRICES	Each	Total
.....	\$1.25	\$1.25
.....	1.25	5.00
.....	1.10	13.20
.....	1.05	26.25
.....	1.00	50.00

## THE NATIONAL SURETY COMPANY

IS PLEASED TO  
ANNOUNCE  
THE APPOINTMENT OF  
  
**E. M. ALLEN**  
  
AS  
EXECUTIVE VICE PRESIDENT

## Distinction

EXCEPTIONAL STANDARDS OF SERVICE  
AND CLAIM ADJUSTING PLEASE  
OUR GROWING FORCE OF  
DISCRIMINATING  
AGENTS

**Detroit Fidelity and Surety Co.**  
Detroit Michigan

HOMER H. McKEE, Pres.

Capital and Surplus over \$3,000,000.00

**Detroit Fidelity and Surety Co., Detroit, Mich.**

If you are not satisfactorily represented in this locality  
I shall welcome correspondence concerning your agency

NAME.....

TOWN..... STATE.....

## WORKMEN'S COMPENSATION

### BURDEN PUT ON OPERATORS

**Coal Mine Rates Can't Be Lowered  
Until Accidents Are Reduced, West  
Virginia Commissioner Says**

CHARLESTON, W. VA., Jan. 25.—A committee of the coal operators' association has been studying for months the subject of mine accidents and means of prevention. Last week this committee held an all-day conference with Mine Inspector Lambie and C. L. Heaberlin, compensation commissioner.

Mr. Lambie told the committee that last year the deaths in coal mines in West Virginia numbered 590; of which the catastrophe at the Everettsville mine gave 120. The compensation department considered 643 death claims between June 30 and Jan. 1, of which 249 were coal mine cases. There were 29,231 claims considered in that same period and of these 10,145 arose in coal operations. Mr. Heaberlin told the committee that they could not hope for favorable premium rates until accidents are reduced. There must be rigid enforcement of prevention rules and regulations by managers and superintendents.

#### Commissioner Has No Discretion

When men are injured in the line of duty they are entitled to compensation and the law specifically stated the amount of compensation. All the commissioner can do is to arrive at the facts and make the decision. The law and not his department fixes the amount, and it is upon this showing that the premium rates are fixed.

He further explained to the operators that when an award is made in amputation cases and the man finds a way of making a living, compensation according to the law goes on regardless of subsequent improved situations. Mr. Heaberlin insisted that violation of company rules and regulations did not absolve the department from compensation awards. He is bound by the provisions of the compensation act, and the only way the operators can hope to escape their burden is either to prevent so many accidents or to amend the compensation act in its parts.

Mr. Heaberlin is embarking on a publicity campaign and through public addresses before employers and press articles he intends to give the public information regarding the compensation law and its workings.

#### Veterans Are Dissatisfied

LANSING, MICH., Jan. 25.—Dissatisfaction of former soldiers of the World War, particularly those who sustained serious wounds or were partially incapacitated by the circumstances of their service, with the Michigan compensation law is making itself felt in the ranks of organized veterans. It is contended that the Michigan industries are necessarily discriminating against the wounded ex-soldiers because they are bad compensation risks with the result that many men who could, with a fair degree of efficiency, discharge ordinary industrial tasks, are unable to find work of any sort.

No adequate remedy has been suggested although it is intimated that organized pressure upon legislative forces of the state might succeed in remedying the situation to some extent, either through modifying the compensation laws or securing for such men positions in the state's employ.

#### Occupational Diseases Excluded

RICHMOND, VA., Jan. 25.—Refusal of the industrial commission of Virginia to award Malinda Turner compensation for disability incurred by a poisonous infection which she sustained while working in the factory of the Virginia Fire Works Company at Petersburg is affirmed by the Virginia Supreme Court of Appeals. It appears that it was her duty to handle white phosphorus, a poison. One day she had the tooth ache and

while rubbing the aching tooth with her finger conveyed the poison into her mouth. "There is no doubt that her condition was brought about as a direct result of her employment," commented the appeal court, "but it was not proved that she sustained an accident within the meaning of the workmen's compensation act which specifically precludes occupational diseases." It was held by the industrial commission that the case came within the range of such diseases and not within the range of an accident. The American Mutual Liability was the insurance carrier.

#### Report on Kansas Law

TOPEKA, KAN., Jan. 25.—The first six months of the new Kansas workmen's compensation law have worked very satisfactorily for the benefit of the workmen and the state of Kansas. This is the view of state officials having to do with the administration of the law. Whether or not the law is operating satisfactorily for the insurance companies is not known, particularly in view of the fact that the state has not as yet allowed a rate increase.

There were 5,832 accidents in industries in the state in the six months, of which 335 were in industries not under the compensation law. It is estimated that 54.5 percent of the accidents, or 3,189, were compensable.

Including the final settlements and the weekly indemnities that had been paid, injured employees had received \$141,752 in compensation and \$39,649 had been paid in medical fees and hospital bills. The average medical fee and hospital bill was \$30.71. The report shows there were 5,668 accidents listed as temporary partial disability, 41 fatal, one permanent total disability and 122 permanent partial disability.

#### Passes on Minor's Rights

OKLAHOMA CITY, Jan. 25.—The Oklahoma Supreme Court has approved an opinion of the supreme court commission relative to minors appearing for themselves before the industrial commission in an application for workmen's compensation.

George Allen Cruce, 18, was employed by the Shawnee Milling Company. He was injured while employed, and in due time brought his case, himself, to the attention of the industrial commission, which awarded compensation. The Oklahoma statute creating the commission allows for appeals direct from the commission to the supreme court. The court in passing on the case said:

"This is a new question. It has not been presented for determination before any appellate court of the United States. . . . In this case the claimant was 18 years old and had the power under our law to contract and to sell his services to his employer. It would be passing strange if he could not compel the payment of compensation for injury when our courts hold that such sum so provided is not damages for his disability, but in the nature of wages."

#### Many Accidents Preventable

OKLAHOMA CITY, Jan. 25.—That about 90 percent of the fatal and non-fatal accidents in industry in Oklahoma occur on unguarded machinery and around other unsafe working conditions, is the opinion expressed in the annual report of W. A. Murphy, state labor commissioner, commenting upon accidents in industry. Twenty-five fatal and 17 serious but non-fatal accidents were reported to the department in 1927. "Fourteen of the fatal and 12 of the serious non-fatal accidents could have been easily prevented by the installation of mechanical safety appliances and the remainder could have been prevented by safety education on the part of the employer, which naturally would have led to safe practices on part of the employee," says the report.

#### Recommend Compulsory Compensation

DULUTH, MINN., Jan. 25.—Compulsory workmen's compensation insurance for journeymen painters was recommended in a report presented at the meeting of the Minnesota State Master Painters Association here. Officers of the association also expressed views to the effect that the present workmen's



compensation insurance rates are too high. A committee was appointed to appear before the state board in the effort to obtain reductions. The plan proposed is to have the insurance apply also to journeymen painters.

#### "Heat Stroke" Compensable

AUSTIN, TEX., Jan. 25.—It is held by the Texas Supreme Court in two different cases that heat stroke sustained in the course of employment is the basis for compensation under the Texas workmen's compensation law. It said that "when heat stroke is shown bodily injury is shown" and it is therefore compensable.

In the case of Mary Herbert vs. New

Amsterdam Casualty, her husband died suddenly of sunstroke. A jury found that his death was due to "heat stroke" and gave his dependents an award, after the claim had been rejected by the industrial accident board. This was reversed by the court of civil appeals and judgment rendered against the claimants. The supreme court affirms the district court and reverses the appellate court.

The second case, Perry O'Pry vs. Security Casualty, was sent back to the appellate court. It was an appeal from a decision by the industrial accident board adverse to a claim for total incapacity as a result of a "heat stroke" sustained in a gas engine pumping room.

manager of a company writing the line reports. Other managers report great increases, one saying that his company has made a gain in two years of something near the figure given above.

One important cause of the increase is the activity local agents in communities even below the city class have shown in seeking this business. One manager cites the case of a local agent in a town of about 3,000 who has developed business with a premium totaling \$1,800. A large part of this premium represents residence burglary business, the remainder being commercial business.

Open stock burglary is still a source of danger for those companies that will write the line, but many of the hazards are being removed through development of alarm and secondary steel systems. Watchmen service in connection with electric alarms, on open stock warehouse risks is considered by some burglary men to be more hazardous than an alarm system alone, for the reason that a gang of thieves on a raid often delegate one man to force the watchman around the box circuit to send in reports while the others of the gang carry off merchandise. On smaller risks the alarm system is usually an effective theft detector.

#### GO AFTER WOMEN'S APPAREL

Burglars Make a Drive for These Goods  
Now That Furriers Are Much  
Better Protected

During the early part of the year burglars make a special drive for women's apparel, it being easy to dispose of especially where prices are cut. Stores carrying furs have so safeguarded their establishments that the losses have been considerably reduced. In fact burglary companies will now write fur stocks where the physical hazard has been well guarded. Now that it is much more difficult to steal furs the burglars are out

after women's apparel, especially dresses.

Burglary companies do not hesitate to write mercantile risks, if proper safeguards are used. They are very much afraid of the moral hazard and at all times are urging agents and brokers to make a careful selection of their people.

Drug losses have decreased since the companies eliminated covering liquors and narcotics. This has forced druggists to take extra precautions with these products.

#### Chicago Conditions Improve

Burglary insurance men find that the situation in Chicago so far as losses are concerned has improved within recent months. The big burglary jobs are not so frequent. The impression is gaining that the police are becoming more efficient and are closing down on the crooks.

#### Can Robber's Estate Use Stolen Money?

COLUMBUS, O., Jan. 25.—An unusual case has come before the Ohio Supreme Court, which has been asked to decide if the administrator of an estate of a bank robber can use money which he has taken from a bank to pay the funeral expenses of the robber and court costs incidental to the winding up of the estate, after the common pleas court has found that the money belongs to the bank. The case came into the supreme court on the application of the Fidelity & Deposit to review the decision of the common pleas court of Ross county. The money was stolen from a bank in Columbus and was found on the person of the robber when he was shot and killed the same day in Ross county.

#### Underwriters Visit Laboratories

The majority of the burglary underwriters of Chicago visited the Underwriters Laboratories in that city Tuesday this week to inspect the latest in alarm systems, secondary steel protective systems and gas protection devices. The laboratories have done much work on burglar-defeating systems, and assured that who use such systems are steadily increasing.

## WITH BURGLARY UNDERWRITERS

### NIGHT DEPOSIT SYSTEM LOSS

New Jersey Bank Believed to Be First  
Victim in Use of New  
Device

NEW YORK, Jan. 25.—The first loss which is believed to have been suffered by a bank depositor through the use of the night deposit system occurred recently, when the Driscoll Agency of Bayonne, N. J., reported the disappearance of \$3,500 in cash and \$2,800 in checks, supposed to have been placed in the night repository of the Hudson County National Bank. A representative of the bank denied liability for the alleged loss, maintaining that the money had never been received.

This system, which is growing in popularity with financial institutions, is for the accommodation of patrons receiving money after the close of banking hours. Outside chutes are installed through which deposits may be made; the chutes, of steel construction embedded in concrete, lead directly into the vault. Each depositor is supplied with a pass key

which opens the street door to the chute, enabling him to make deposits at any hour of the night. This obviates the need for the retention of funds by the owner and the risk of their being stolen.

Companies assume the risk of loss through the new departure, charging a slight additional premium to the regular burglary rate for the excess coverage. They require as a condition of the liability that the depositor mail a duplicate deposit slip to the bank coincident with the placing of the deposit in the chute. The hazard is considered slight and thus far the individual call for the excess indemnity ranges from \$5,000 to \$10,000.

### WRITINGS SHOW BIG INCREASE

Many Companies Show Great Gains for  
Last Two Years—Local Agents  
Active on Line

Burglary writings have increased as much as 150 percent in the last two years, one western department burglary

# AMERICAN AUTOMOBILE INSURANCE CO.

## ST. LOUIS

L. A. HARRIS, President

### Financial Statement—January 1st, 1928

#### ASSETS

Public Utility Bonds.....	\$ 2,286,200.00
Industrial Bonds .....	2,016,900.00
Railroad Bonds .....	1,353,900.00
U. S. Government Bonds.....	186,900.00
Stocks (R. R. Pub. Utility & Industrial).....	1,888,600.00

Total (Ins. Dept. Valuation).....\$ 7,732,500.00

Premiums in Course of Collection.....	1,466,231.08
Cash in Banks.....	1,015,261.00
Accrued Interest .....	61,239.55

Total Admitted Assets.....\$10,275,231.63

#### LIABILITIES

Reserve for Unearned Premiums.....	\$ 3,656,191.40
Reserve for Liability Claims (N. Y. Law).....	2,254,693.65
Reserve for Other Claims.....	362,349.51
Reserve for Commissions (not due).....	383,468.76
Reserve for Taxes.....	224,872.49
Reserve for Claim Expense.....	72,469.90
All Other Liabilities.....	60,248.94
Capital Stock .....	\$1,000,000.00
Surplus .....	2,260,936.98

Surplus to Policyholders..... 3,260,936.98

Total Liabilities .....\$10,275,231.63

SURPLUS TO POLICYHOLDERS OVER.....\$3,250,000.00  
NET PREMIUMS WRITTEN IN 1927..... 7,279,000.00

ALL KINDS OF INSURANCE ON AUTOMOBILES EXCLUSIVELY



**\$5,000.00 for \$12.00**

**On November 7, 1927,**

we issued a "New Uscasco" Accident Insurance Policy to Mr. C. Woodson Zaring, Jr., of Jacksonville, Fla., for a premium of \$12.00 per year

**On December 19, 1927,**

Mr. Zaring met with accidental death through the overturning of an automobile in which he was riding

**On December 24, 1927,**

our representative delivered to the beneficiary named in the policy \$5,000.00

**If your insurance agent or broker has not a copy of this policy to show you, he can get one by applying to**

**EDSON S. LOTT, President,**  
United States Casualty Company,  
80 Maiden Lane, New York.



## WINZER & COMPANY

### CERTIFIED PUBLIC ACCOUNTANTS

**SPECIALIZING IN**  
**INSURANCE ACCOUNTING**  
29 South La Salle Street  
CHICAGO

**MR. EXECUTIVE**  
**SAVE ON PAYROLL AUDITS**  
**RESIDENT AUDITORS**

**AT**  
**SAN FRANCISCO**  
**INDIANAPOLIS**  
**DES MOINES**  
**ATWELL & VOGEL**

**C. G. ATWELL, Mgr.** **R. F. VOGEL, Mgr.**  
4816 Bruce Avenue 4943 No. Heyne Ave.  
MINNEAPOLIS, MINN. CHICAGO, ILL.

**Jan 1st. 1930**

By that time every agent in your city will be selling our plan of **DEFERRED PAYMENT INSURANCE**. Why not get the jump on them and also increase your volume of business?

Our plan is **SOMETHING NEW** and appeals to every merchant selling goods on time. We have users in every line of business, from aeroplanes on down.

Write us **AT ONCE** as our territory contracts are exclusive.

**THE GUARANTY LIABILITY CO.**  
1341 Third National Bldg.,  
Dayton, Ohio

## ACCIDENT AND HEALTH

### BROWN TO ROYAL INDEMNITY

Missouri State Life Health and Accident Manager Succeeds R. O. Davidson With New York Company

Read H. Brown, head of the accident and health department at the head office of the Missouri State Life has been appointed superintendent of the similar department of the Royal Indemnity at its home office in New York. He takes the place of R. O. Davidson, who recently resigned.

Mr. Brown became manager of the department at the Missouri State Life when Maj. John J. Crowley resigned.



**READ H. BROWN**  
Now With Royal Indemnity

Mr. Brown had been connected with the Missouri State Life in the accident department since May, 1921. His title then was superintendent and on Major Crowley's resignation he was appointed manager. He was accident and health underwriter for the Travelers on the Pacific coast for four years. Prior to that he managed Travelers branch offices in a number of cities.

### AUTO LEADING DEATH CAUSE

**Nearly Half of Business and Professional Men Accidentally Killed in December Motor Victims**

Almost half the business and professional men who met death by accidents in the United States in December were killed or fatally injured in motor mishaps, according to statistics of the Travelers. As the personal accident policyholders of the Travelers are selected, high-grade business and professional risks, the statistics for December may be taken as a cross-section view of the number of motor fatalities occurring among such adults for that month.

#### Took 63 Percent in Amount

The statistics reveal that 63 percent of the amount of death claims paid under accident policies resulted from motor accidents and that 45 percent of the total number of all accidental deaths under such policies were caused by the automobile. In December the company paid \$216,750 in claims because of motor fatalities among its personal accident policyholders.

The average age of the persons who met death in motor accidents in December, according to the Travelers classification, was almost 44 years, and the great majority of the victims were occupants of cars rather than pedestrians.

### TIME HAS TRAINING SCHOOL

**Sixty-five Agents of Milwaukee Company Take Sales Course on Accident and Health Insurance**

MILWAUKEE, Jan. 25.—Sixty-five agents of the Time from all parts of the state assembled here last week for the first training school ever held by an accident and health company in Wisconsin. This was a much larger attendance than was anticipated, as only about 40 were expected.

Speakers at the school urged the agents to discover the needs of their prospects, to show prospects that income must be protected first of all, and that accident and health insurance is the only way in which it can be protected.

John A. Keelan, agency superintendent, told the agents that the competitors in their business are not agents for rival companies but were the many other commodities and luxuries, each of which is endeavoring to secure a share of the consumer's dollar. He urged the agents of the Time to help agents of other accident and health companies all they could in preaching the message of insurance to the public, for by so doing they were benefiting themselves and their particular business and company.

John D. Rogers, agent for the Time in Milwaukee, was director of the school and presided at the sessions. Emil G. Johann, secretary, welcomed the agents in place of President C. G. Traphagen, who was absent from the city. Mr. Keelan gave an address at the opening session on "Insurance as a Profession." E. G. Malone analyzed the company's policies and also gave a practical demonstration of sales methods at another session.

Office practices were discussed by A. D. Traphagen; G. R. Bryant, claim adjuster, told of the practices of his department, and H. A. McArthur talked on "Collection and Lapses." T. J. Tuchscher, special agent, gave an address at the banquet.

### Death Held Accidental

Death in the woods due to cold and exposure after "accidentally" becoming lost is legally an accidental death and the beneficiary of an insured person whose policy contained a double indemnity clause is entitled to twice the face amount of the policy, according to a decision of the Michigan Supreme Court in the case of Emma Ashley vs. Agricultural Life of Bay City. Mrs. Ashley was beneficiary named in the policy of her son, Harold, who died about Nov. 2, 1926, while on a hunting trip. His body was found half-frozen in the waters of a swamp and there was every indication that he had lost his way and wandered aimlessly until he dropped from exhaustion. The set of circumstances which caused him to lose his way were accidental, the court held, and the Bay City company owed \$4,000 rather than \$2,000 as held in the lower court.

### Two Special Agents Appointed

Joseph E. Schultz has been appointed eastern special agent of the commercial accident and health department of the Continental Casualty. He will make his headquarters at 75 Fulton street, New York. His territory will be New York, eastern Pennsylvania and the New England states. Mr. Schultz for some years was in the service of the Travelers.

D. N. Stilling has been appointed special agent for the commercial accident and health department of the company in Ohio. Mr. Stilling was formerly with the Republic Casualty.

### Continental Life Changes Plan

ST. LOUIS, Jan. 25.—While the Continental Life of St. Louis, in the early months of 1927, met serious losses in its



health and accident department, the causes of that adverse situation have since been removed and it is understood a profit was experienced in the accident and health department the last quarter of 1927.

One of the steps toward improving conditions in the accident and health field was a reorganization of the system for handling newspaper accident policies. A contract with a syndicate that specialized in the newspaper accident field has been cancelled and the company is now handling new newspaper contracts direct from the home office. This has brought about a substantial saving through the elimination of large commissions formerly paid.

#### Midwest L. & C. Gains

The Midwest Life & Casualty of Topeka, Kan., made some nice gains in 1927. The total premium income for the year was \$114,514, an increase of \$14,000 on the 1926 figure. The gross assets at the close of 1927 were \$32,148, a gain of \$15,000. The surplus is now \$24,315, an increase of \$15,000 during the year, while \$7,822 has been set up for claim and unearned premium liability. For the year just closed the company paid out in claims \$38,313. The agency force has been doubled during the last 30 days. The company is planning on writing \$200,000 in premiums this year. The Midwest now operates in Kansas and expects to enter other states this year.

#### Bill for Compulsory Insurance

Representative Cuviller has introduced in the New York legislature a measure similar to one introduced by him last year, providing for a compulsory insurance system for employees in case of old age, unemployment, death, sickness and accident not covered by compensation law and for dependents and maternity benefits. It creates a health insurance commission. The bill has been referred to the committee on labor.

The Moffatt-Duncan-Nichols agency at Muskogee, Okla., has been appointed general agent of the Continental Casualty for all lines.

## AMONG SURETY MEN

### DEPOSITORY BOND STATUS

Public Officials in Smaller Places Find It Difficult to Get Proper Coverage at Times

In many localities companies are declining to write public official bonds because they cannot get satisfactory depository bonds on banks where public money is kept. Companies writing bonds for public officials naturally want to know what safeguards there are surrounding the money deposited in banks if the treasurer is to be held liable for the money. Owing to the failure of a number of small banks, surety companies are becoming more wary than ever in writing depository bonds on such institutions. In some localities it is seemingly impossible to get a depository bond. The heavy losses have come from the smaller banks.

Where public money is deposited and the treasurer is liable the surety company desires to know what sort of a bond is being given guaranteeing the deposits and wants to know whether the law is being complied with in all respects. Sometimes personal bonds can be arranged that will be satisfactory. In a number of instances the bank where the public money is deposited arranges for the bond, some of the bank officials signing it. In some states where a depository bond is written for public officials it is required that not over 50 percent of the liability be covered by bank officials where the bank is interested. In Kansas prior to the last legislative session where public officials deposited money in a bank it was under the guaranty law, no depository bond was required. That section of the law, however, was repealed at the last legislature and now a depository bond has to be given.

### WANTS SECRETARY RELIEVED

Boland-Karn Company of Green Bay Calls Attention to Burden on Credit Officials

The Boland-Karn Company of Green Bay, Wis., calls attention to a situation in regard to local credit association secretaries which opens an interesting field. The firm says:

"The National Association of Credit Men, whose membership is composed of practically all wholesale, mercantile and a great many of the manufacturing institutions throughout the United States, has branch associations throughout the country, stationed in all of the larger cities and in a number of the smaller cities serving a considerable amount of territory.

#### Each Local Has Secretary

"The Northern Wisconsin-Michigan Association of Credit Men, which is a branch of the National association, has its headquarters in this city. Each local association has a full-time secretary. A large part of his duties is the compiling of credit information of all retailers in the territory, which is available to all members of the National association. His further duties are the collection of accounts and the handling of adjustments in insolvency.

"In these insolvency actions where the association members are creditors the local secretary is invariably named as receiver or trustee, depending upon whether the action is in the state or the federal courts. In each instance he gives a bond, payable to the court, to guarantee the faithful performance of his duties as receiver or trustee. He is acting invariably by reason of the fact that he is secretary of the local association. All fees are turned into the coffers of the

local association, he personally receiving only his regular salary.

#### Secretary Assumes Obligation

"The National association headquarters recently sent out a bulletin to all local associations, calling to their attention that the secretary, in assuming these positions of trust in insolvency matters, is himself assuming a considerable obligation and responsibility, for the reason that the courts will hold him personally responsible for any mistake, oversight or error. A recent case has come to light from the St. Louis association, where in closing up an estate a federal tax of several hundred dollars was not included in the settlement and the internal revenue department of the government held the secretary personally responsible.

#### Wants Secretary Relieved

"The local association is desirous of relieving its secretary of this personal responsibility and assuming it for the association. In other words, agreeing to indemnify the secretary in the event of any loss occasioned by reason of his acting in this capacity, and it has inquired of our office whether or not it would be possible to get insurance protection for the association to save them from any such loss."

### MODERNIZE SELLING TALK

Base Appeal on Popular Criminal Psychology in Sale of Fidelity Bonds, Says Smiley

Unusually effective and down to the minute selling contacts for fidelity bonds have been created by criminal psychology discussions which have been so much in the publicity foreground of this year's crop of murder trials, in the opinion of R. W. Smiley, publicity director of the Metropolitan Casualty.

Lawyers, playwrights, psychiatrists, ministers, and novelists have burst into speech or print in an attempt to unravel



## CASUALTY FIDELITY AND SURETY TREATY REINSURANCE

GENERAL  
REINSURANCE CORPORATION  
80 JOHN STREET  
NEW YORK, N. Y.

the devious mental skeins which lead up to murders so revolting that one human mind find it difficult to charge another with deliberate premeditation in connection with the conceiving and executing of such brutal taking of life.

#### New Theory Advanced

The theory advanced is that we can't escape from our repressions, that they are our "subconscious" self, and that the subconscious is, like the submerged portion of an iceberg, seven-eighths of us. The one-eighth above the surface, it is contended, often has to fight the seven-eighths below the surface. The occasional result is an explosive outburst which may be as much a surprise to the person himself or herself as to the victims of such out of control repressions.

Whether or not we are disposed to accept this explanation, the psychology surely has an interesting application to dishonesty crimes covered by fidelity bonds. The trusting employer cannot possibly fathom the repressions of his trusted employees. By complacently refusing to have them bonded, he may unconsciously allow what is, in its incipency, only a 30 percent or 50 percent repression to enlarge to the dangerous proportions of seven-eighths. On the strength of the visible one-eighth above the surface, the employer may turn a deaf ear to the importunities of a fidelity bond agent.

#### Temptation Talk Out of Date

The vocabulary, quite as much as the idea, may determine whether a sales appeal gets under the skin. In these days when psychological discussions are in vogue, such a straightforward statement as "Even the most seasoned honesty sometimes cracks under the strain of unusual temptation" may lack that psychological "it" which belongs with the criminal vocabulary of the day. "Repressions" in a sales talk might very well register with the prospect where "temptations" would be as out of date. In any event, so long as the public willingly strains its eyes to absorb the newsprint discussions of criminal psychology, the bond agent may properly, and profitably, present his fidelity bond selling appeal against what unquestionably is, for the moment, an attention-getting background.

#### New York Indemnity Appointments

The New York Indemnity announces the appointment of W. Taylor Johnson of Norfolk, Va., as general agent for fidelity and surety lines. This agency formerly represented the New York Indemnity on a regional basis.

Charles H. Hines, formerly manager of the bonding department of the Guaranty Title & Trust Corporation, general agents for the National Surety in Norfolk, has been appointed manager of the surety division of the W. Taylor Johnson organization.

#### Public Liability Decision

Under its policy defendant agreed to indemnify plaintiff against injuries or death suffered accidentally by persons other than employees in and about plaintiff's works and also to defend suits brought because thereof, whether groundless or not, provided written notice was immediately given defendant of the accident and of any claim on account thereof. A groundless suit was brought. Written notice was given, but not until a claim was made against defendant. Defendant, after answering in behalf of assured, but before trial, withdrew from the defense. Assured employed other counsel and successfully defended. This action is for attorneys' fees and expenses. Held that the policy obligated defendant to defend, since the complaint stated a cause of action against assured arising from the risk covered by the policy. *Minnesota Electric Distributing Co. vs. U. S. Fidelity & Guaranty, Sup. Ct. Minn.*

#### Visits Home Office

A delegation consisting of winners of a contest conducted by the G. W. Perry agency of Elmira visited the home office of the Maryland Casualty at Baltimore recently. The agents were the guests of the Perry agency and were well entertained.

## PERSONAL GLIMPSES OF CASUALTY MEN

**Lowry Vahey**, who had a picturesque career on the edges of the insurance business, died last week in a hospital at Houston, Tex. He is remembered by many casualty men throughout the middle west. His connections were by some strange fate usually with concerns that did not make a success. He was an underwriting manager for the Lion Bonding of Omaha, and for a time was managing underwriter of the Northern Indemnity of Grand Rapids, Mich., when it was struggling to rebuild from its promotion period in which it was known as the Peninsular Casualty. His last venture was the North American Lloyds, which he attempted to launch in Chicago a couple of years ago. He was born in England and had a sound casualty training in the home office of one of the British companies. He was of a restless disposition, however, and had been on the stage before coming to this country.

**Charles A. Morlock** has returned to the local underwriting field in New York City, having been transferred from the head office of the Metropolitan Casualty to the company's branch at 80 John street, where he has been placed in charge of the compensation and liability underwriting. He joined the home office of the Metropolitan about a year ago, as superintendent of compensation and liability underwriting. Previously, he was for 12 years with the New York branch of the Aetna Life and affiliated companies.

**Frederick Richardson**, United States manager of the General Accident, has been appointed a director of the company. He has been with the company for 35 years.

**Judge William T. Bland**, a director of the Business Men's Assurance, of Kansas City, died Jan. 15 in Orlando, Fla. Judge Bland's death was sudden, and was caused by a cerebral hemorrhage. Judge Bland was one of the original directors of the B. M. A., and had a considerable part in the promotion of the company. He was very prominent in business and civic affairs in Kansas City up until the time of his removal to Florida six years ago.

One of the significant announcements recently made in the surety world is that of the appointment by the National Surety of **E. M. Allen**, formerly president of the National Association of Insurance Agents, as executive vice-president, to be associated with President E. A. St. John in directing all the producing activities of the company and in



E. M. ALLEN

co-ordinating the various producing departments, both the older agency forces and of the new specialty departments, in a manner that will give all representatives of the corporation the full benefit of the selling power and prestige that has been built up in the past 30 years.

Having been a successful insurance agent himself and serving two terms as president of the National Association of Insurance Agents, Mr. Allen is particularly fitted to view insurance problems from the agent's standpoint, and his elevation to his new office with the National Surety should be a matter for congratulation on the part of the agency force of the company.

Mr. Allen said there would be no change in the management of the various producing departments, the only move intended being closer co-ordination in the future and a greater effort to work for the common good. The company will be even more active in getting agents of the alert sort, men who realize the necessity for getting more business—better business—and intensively cultivating their territory.

Already Mr. Allen is receiving letters of congratulation from his friends among the agency force of the company.

**William R. Sanders**, one of the former presidents of the Health & Accident Underwriters' Conference, was operated on at the Good Samaritan Hospital in Cincinnati last Thursday. While the operation was of a serious nature and Mr. Sanders was critically ill for several days, he is now improving satisfactorily.

## NEWS OF COMPANIES

**Mutual Benefit Health & Accident**—Assets, \$1,545,165; unearned premiums, \$140,648; unpaid claims, \$927,041; commissions, brokerage and other charges due, \$158,662; contingent and unassigned funds, \$318,813. Experience on 1927 business:

	Premiums	Losses
Accident & health	\$7,879,807	\$4,554,030

**Commonwealth Casualty, Pa.**—Assets, \$2,480,348; unearned premiums, \$1,011,516; unpaid claims, \$52,977; reserve for liability losses, \$269,160; commissions, brokerage and other charges due, \$133,371; capital, \$600,000; surplus, \$413,321. Experience on 1927 business:

	Premiums	Losses
Accident & Health	\$375,111	\$107,076
Auto. liability	1,653,622	762,523
Teams liability	2,490	110
Public liability	294	.....
Plate glass	30,678	9,825
Auto. prop. damage	528,023	222,223
Auto. collision	52,096	19,301
Other P. D. and coll.	1,965	1,093

Totals ..... \$2,644,281 \$1,122,154

**Lloyds Plate Glass**—Assets, \$2,383,688;

unearned premiums, \$462,119; unpaid claims, \$58,106 commissions, brokerage and other charges due, \$59,915; capital, \$1,000,000; surplus, \$735,617. Experience on 1927 business:

	Premiums	Losses
Plate glass	\$913,021	\$292,405

**Nebraska Indemnity**—Assets, \$502,033; unearned premiums, \$114,911; unpaid claims, \$9,289; reserve for liability losses, \$49,062; commissions, brokerage and other charges due, \$13,154; capital, \$200,000; surplus, \$108,087. Experience on 1927 business:

	Premiums	Losses
Auto fire	20,462	\$8,011
Auto theft	23,062	8,219
Auto, tornado	2,305	296
Auto. liability	112,268	37,363
Auto. prop. damage	56,665	16,394
Auto collision	14,208	6,375
Less Re-Ins. on live stock losses	.....	2,361

Totals ..... \$228,973 \$74,300

**Home Assurance, Ind.**—Assets, \$8,497;

unpaid claims, \$2,016; surplus, \$9,241. Experience on 1927 business:

	Premiums	Losses
Accident & health	\$46,854	\$17,141

**Western Travelers Accident, Cal.**—Assets, \$174,583; unearned premiums, \$75,809; surplus, \$32,494.

**National Indemnity Exch., Mo.**—Assets, \$273,135; unearned premiums, \$1,306; unpaid claims, \$54,083; surplus, \$152,147.

**Great Western, Ind.**—Assets, \$1,075,503; unearned premiums, \$203,101; unpaid claims, \$73,532; additional reserve non-cancellable accident and health policies, \$15,093; commissions, brokerage and other charges due, \$3,267; capital, \$250,000; surplus, \$125,000.

Experience on 1927 business:

	Premiums	Losses
Accident	\$460,110	\$154,002
Health	374,083	160,441
Non-canc. H. & A.	14,186	6,002

Totals ..... \$848,380 \$320,445

**Preferred Accident of N. Y.**—Assets, \$12,289,730; unearned premiums, \$2,544,211; unpaid claims, \$992,432; reserve for liability losses, \$1,631,130; commissions, brokerage and other charges due, \$237,814; capital, \$3,500,000; surplus, \$2,564,493.

Experience on 1927 business:

	Premiums	Losses
Accident	\$994,469	\$487,021
Health	208,884	96,084
Auto liability	2,313,338	\$34,121
Other liability	7,895	1,400
Fidelity	327,345	136,521
Surety	226,478	94,251
Burglary and theft	321,438	82,859
Auto prop. damage	726,202	296,622
Auto collision	171,777	76,904
Other P. D. and Col.	163	.....

Totals ..... \$5,297,993 \$2,094,612

**United Automobile, Mich.**—Assets, \$209,233; unearned premiums, \$67,744; unpaid claims, \$9,803; commissions, brokerage and other charges due, \$3,831; capital, \$100,000; surplus, \$26,314.

Experience on 1927 business:

	Premiums	Losses
Automobile	\$135,569	\$56,465

## RECEIVERSHIP FOR IOWA COMPANY IN ITS 7TH YEAR

**SIOUX CITY, IA., Jan. 25.**—Receiver Grandy of the American Bonding & Casualty has filed his sixth annual report. The receivership appears to be making money. The year covered by the report, the income was \$59,456 and expenses \$14,680, showing a profit of \$44,775. The receiver says: "Notwithstanding the expense of conducting a receivership of this kind and character, the condition of this receivership and its assets are all in good condition and are increasing in value above all expenses."

The main thing accomplished the past year was the decision in the case of Roberts & Heath of Chicago, against the receiver, in which the rank and class of claimants was determined. The decision, however, has been appealed to the supreme court by the receiver. As heretofore printed, this decision places claimants for unearned premiums and claimants for losses on an equal basis and makes them preferred as against other general creditors.

The government's claims, however, are always preferred and they have not yet been adjudicated. The receiver calls attention to the fact that while the Triangle Steamship Company case, which is the government's case, was submitted to Referee A. L. Boylan over three years ago, there has been no report made by the referee.

#### Recent Automobile Cases

Section 17 of the motor vehicles act provided for temporary and limited operation upon highways of motor vehicles owned by residents of other states. The period limited was fifteen days not necessarily consecutive, in the calendar year. Held that this section of the act applied to non-residents who were within the state only temporarily or occasionally. The plaintiff having had a regular place of abode in the state for more than 15 days during the year 1925 was not a non-resident within the



statutory definition then in force and, therefore, not having registered her motor vehicle in the state, was not entitled to recover for injury to her person or property received by reason of its operation upon the highways of the state. *Morse vs. Lash Motor Co., Sup. Ct. Errors, Conn. 3rd Dist.*

Appellant recovered judgment for personal injuries suffered when appellant's auto collided with a truck in which appellee was riding, another driving. Appellant was traveling west on Sample street through the Studebaker plant. Held, among other things, that the fact that the driver of the truck was a fellow servant, did not make it error to instruct that his negligence could not be imputed to appellee. *Mattes vs. Bruggner, App. Ct. Ind.*

#### Northeastern Increases Capital

The executive committee of the Northeastern Surety has recommended to the board of directors that the capital and surplus of the company be increased from \$682,000 to \$1,500,000. Of the total, 1,000,000 will represent the capital stock and \$500,000 the surplus. The increase is proposed in order to meet the requirements of new contracts written in the process of being closed.

#### "Standard Cog" Noted For Its Originality

AN agency organ that has just passed its 16th birthday and has received wide comment as one that combines originality with definite insurance selling helps is the "Standard Cog," put out by the Standard Accident. This magazine is 4x9 inches in size and contains 24 pages. It is designed to fit into the inner pocket of a man's coat.

The originality of its covers has attracted much comment. For example, the February cover, instead of reproducing a picture of a Lincoln penny, was made by gluing a bright new Lincoln penny to the black paper background of the cover. The cover of the issue devoted to golfers liability insurance shows in the foreground a large golf ball on a tee ready for a good "sock." But the tee, instead of being simply a drawing, is of actual sand. A dab of muckage and a sprinkling of sand did the trick.

The September issue pictures a school boy on his way back to school. Over his shoulder he carries a school bag. A slit in the top of the bag reveals that the book on the interior can be withdrawn and that it is a miniature volume entitled "Primer of Insurance Selling." The cover of the January issue contains the words "A Happy New Year" written in longhand and covered with glue. Confetti was then sprinkled over the top of the words, giving the impression that they were actually written in this material. The background is a dark blue sky with a tiny village far below.

An October cover shows a boy sitting on a dock over the water and hauling in hand over hand an immense red fish. The fish, however, is of celluloid and has been pasted to the cover. The celluloid fish curls and wriggles when the "Cog" is removed from its envelope. Below are the words "It's the Bait You Use," referring to the use of advertising in the selling of insurance.

The interior of each issue is usually devoted to one particular subject, although this is not always the rule. The first few pages of each issue are always given over to comments and suggestions by E. J. Schofield, vice-president of the company, who is well known throughout the insurance world as a forceful writer.

#### San Diego Taxi Ordinance

SAN DIEGO, CAL., Jan. 25—The city council passed legislation last week requiring indemnity insurance of operators of taxicabs in San Diego, the amounts running from \$5,000 to \$20,000. The traffic commission recommended the ordinance. Insurance which must be carried on each taxicab shall be not less than \$5,000 for injury or death of one



Individual attention and consideration given to the underwriter problems of your agency whether large or small. Department heads themselves go into the field and call on agents regarding risks when necessary.

### CENTRAL WEST CASUALTY COMPANY

DETROIT, MICHIGAN

Surplus to Policyholders

December 31, 1926, \$1,375,069.61

#### DO YOU WANT TO REALIZE ON YOUR AMBITIONS

You can do it by asking us for details on our new line of Health and Accident Contracts, both Commercial and Industrial. Highest immediate earnings and liberal renewals paid to District and General Agents.

Who can produce business  
Write

**INCOME GUARANTY  
COMPANY**  
(Stock Company)

Drawer 422 South Bend, Ind.

#### OPPORTUNITIES

**Casualty General Agency Wanted**  
Wanted: General Agency for a strong Bonding and Casualty Company by an old established agency in Lexington, Kentucky. Address D-27, Care The National Underwriter.

person; \$10,000 for injury or death of two persons and \$500 for damage to property. Any such vehicle carrying ten or more passengers must carry not less than \$20,000 insurance to cover all injuries or deaths from accidents to such vehicles.

#### Switzer With Georgia Casualty

Harry Switzer, formerly field man for the Chicago Fire & Marine, has been appointed Cook county special agent for the Georgia Casualty.

George D. Webb of Conkling, Price & Webb of Chicago has gone to Pasadena for the winter.

#### A Substantial Conservative

Automobile Company

All Forms in One Policy

### ILLINOIS MOTOR CASUALTY COMPANY

SPRINGFIELD

J. L. PICKERING, President

Policyholders' Surplus Over \$375,000.00.

**New Amsterdam**  
**Casualty Company**

**A Progressive  
Surety and Casualty Company**

### The A & H Review

A monthly magazine for health and accident salesmen. \$2 a year.

**A** square deal—regardless of cost.

**Both** to agents and the assured.

**Big** men at the helm of the Republic, who realize that straight shooting is the only enduring foundation for permanent success.



JOSEPH W. WARD, President and General Manager

## Ohio, Indiana, Illinois, Nebraska, Iowa Casualty Writing Agencies

*Some Good Territory is open for Direct  
Home Office Reporting Connections*

**AMERICAN CASUALTY COMPANY**  
READING, PENNA.

Incorporated 1902

ASSETS \$3,218,290.89

**Full Coverage  
Automobile  
Insurance  
At  
Independent  
Rates**

*Stock Company*  
**UNDERWRITERS CASUALTY COMPANY**  
HOME OFFICE  
PLANKINGTON BUILDING MILWAUKEE, WIS.  
Capital and Surplus  
\$200,000.00

*Agents Solicited*

## JOHN E. HOGAN

*Specializing in*

**Casualty and Automobile Insurance**

**Investigations, Adjustments and Claims**

175 W. JACKSON BLVD., CHICAGO

## Income Insurance Specialists

OPPORTUNITIES FOR SALESMEN  
IN FORTY-SEVEN STATES

**North American Accident Insurance Co.**  
200 South La Salle Street, CHICAGO

## LLOYDS OF LONDON CAPTURES BUSINESS

(CONTINUED FROM PAGE 45).

had the excess on a line, the primary on which was carried by an American company, as is usual. A loss was claimed under the policy, and a competent adjuster found after thorough investigation that the claim was legitimate. During the time the adjuster was working on the case, no representative of Lloyds appeared. Finally, immediately before the American company issued a check in payment of its part of the claim, a Lloyds representative called the office of the American company and asked what the latter intended doing on the case. He was informed that the American company found the claim to be legitimate and would mail a check at once. "Well, so will I, then," the Lloyds man said. He had sat quiet until the American adjuster had completed the work and then had shared in the result of the work, with no cost to his organization.

### Excess Line Profitable

Every surety man knows that the best profit in the bankers' blanket business is in the excess. And it is this business, largely, that Lloyds control. The primary bonds in the majority of large and small cases are carried by the companies of the United States.

### Arthur V. Mooney in New Post

Arthur V. Mooney has been appointed manager of the casualty department of Starkweather & Shepley, Chicago. For the last five years Mr. Mooney has been in the casualty department of Rollins, Burdick & Hunter, also of Chicago.

### New Brooklyn Office

NEW YORK, Jan. 25.—To care for its expanding business the Metropolitan Casualty has arranged for new quarters for its Brooklyn branch at 15 Court St. The new office will be located in the heart of the business section of the borough and will be equipped with every modern convenience for rendering prompt and effective service to clients.

### New Jersey Casualty Men Elect

Officers of the Casualty Underwriters Association of New Jersey elected at the recent annual meeting at Newark are: President, Frank W. Frazen, Commercial Casualty; vice-president, A. J. Frackenhof, Continental Casualty; secretary, H. P. Reardon, Metropolitan Casualty; treasurer, Frank B. Heller, Maryland Casualty.

## Recent Automobile Liability Decisions

This suit was brought against administrator of Perkins to recover damages for injuries sustained by plaintiff in an automobile accident, in which Perkins was killed. The declaration charged that the accident was caused by negligence of Perkins. Plaintiff urged that the earlier cases in Tennessee holding that no right of action exists against an administrator for a wrong done by his intestate be overruled. Held that to overrule these cases would amount to judicial legislation, which the court is without power to do. *Rook vs. Perkins*, Sup. Ct. Tenn.

### Federation to Combat Compulsion

Decision to take active steps to combat the proposed inauguration of compulsory automobile liability insurance in New York state was taken at a special executive committee meeting of the Insurance Federation held in New York City last week. The intent is to combat particularly those features which would work injustices to the public by producing inequalities, the monopolistic insurance feature, and any provisions which would create conditions that are said to be proved undesirable by the workings of the Massachusetts compulsory law.

### Agency's Birthday Celebration

MILWAUKEE, Jan. 25.—A birthday party to celebrate the 17th anniversary of the founding of the general agency was held by the Gaedke-Miller Agency here last week. The agency was started on that date in 1911 by Otto H. Gaedke, president, and Alfred A. Miller, vice-president and treasurer. A. L. Fischer is secretary of the firm. It is general agent here for the Maryland Casualty. A dinner was given for the members of the agency and a theater party followed. Congratulatory telegrams were received from the home office and other friends of the agency.

### New California Fund Manager

Frank J. Creede, who has been connected with the California compensation fund as attorney and referee for the past ten years, has been appointed manager, according to announcement made this week by Will J. French, chairman of the industrial commission.

The Bankers Indemnity has been licensed in West Virginia.

## Business-Builders

*Developing*

**Fidelity and Surety Bonds, Automobile  
Elevator and General Liability, Accident  
Health, Burglary and Plate Glass Insurance**

*Appreciate the co-operation of the*

**Massachusetts Bonding  
& Insurance Company**

BOSTON

T. J. FALVEY, President

*Write for Territory*

Paid-in Capital, \$3,000,000

Surplus to Policyholders, \$6,035,854.96

**Re-Insurance  
Excess Re-Insurance  
Catastrophe Hazard**

**DEE A. STOKER**  
RE-INSURANCE UNDERWRITER  
111 W. Jackson Blvd. CHICAGO

All Lines but Stressing Excess Fire Reinsurance General Classifications



against ad-  
over dam-  
y plaintiff  
in which  
eclaration  
as caused  
Plaintiff  
n Tennessee  
action ex-  
or for a  
be over-  
these cases  
egislation,  
power in  
Ct. Tenn.

pulsion  
s to com-  
a of com-  
insurance  
at a spe-  
ing of the  
New York  
s to com-  
res which  
public by  
onopolistic  
provisions  
s that are  
le by the  
s compul-

ration  
birthday  
nniversary  
al agency  
er Agency  
was started  
H. Gaedke  
iller, vice-  
L. Fischer  
is general  
Casualty  
members of  
y followed  
re received  
er friends

anager  
been con-  
mpensation  
ee for the  
nted mana-  
ment made  
chairman

s been li-

35,856.96

ER  
ER  
CICAGO  
ications

# Georgia Casualty Company Atlanta, Ga.

HARRY C. MITCHELL  
*President*

Complete Casualty Insurance Service  
Applications for Agencies Solicited

A STOCK COMPANY

## UNITED STATES UNDERWRITERS COMPANY

Home Office:  
JACKSONVILLE  
ILLINOIS

Full Coverage  
Automobile Insurance

R. Y. ROWE, President      W. D. KENNEDY, Secretary  
J. V. KENNEDY  
Vice-President, General Manager



A SERIES DEALING WITH FACTS ABOUT  
THE WASHINGTON FIDELITY NATIONAL

HARRY R. KENDALL  
*Chairman of Board*

GEORGE R. KENDALL  
*President*

**OVER  
2000  
AGENTS  
Are  
Succeeding  
with this  
organization.**

*Our agents are our best  
advertisers. Ask a man  
who represents us.*

WE EQUIP  
AGENTS  
TO WRITE  
Ordinary Life  
Intermediate Life  
Industrial Life  
Industrial Accident  
and Health  
Commercial Accident  
and Health  
Monthly Accident  
and Health  
Group Accident  
and Health  
Franchise  
Automobile (Per-  
sonal)  
Railroad Install-  
ment

**B**efore making a defi-  
nite connection for  
writing Life, Acci-  
dent and Health Insur-  
ance let us have the  
opportunity of explain-  
ing what the Washington  
Fidelity National has to  
offer ambitious men.

Write us today for full  
particulars.

## WASHINGTON FIDELITY NATIONAL INSURANCE COMPANY

HOME OFFICE  
1607 HOWARD STREET  
CHICAGO



ARE YOUR CLIENTS *fully* INSURED?  
**FIREMAN'S FUND**



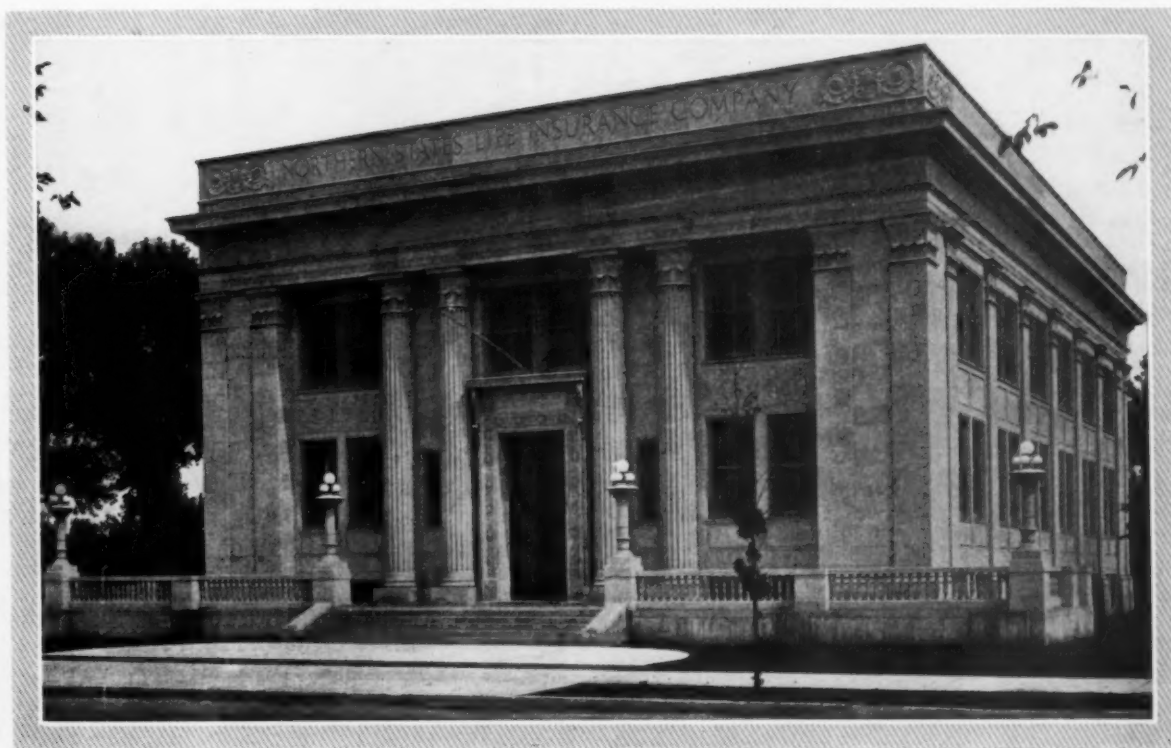
INDIANA INSURANCE DAY NUMBER

# The National Underwriter

A WEEKLY NEWSPAPER OF INSURANCE

THURSDAY, JANUARY 26, 1928

**A HOME  
FOR LIVE AGENTS  
GROW WITH US!**



HOME OFFICE

**NORTHERN STATES LIFE INSURANCE CO.**  
HAMMOND, INDIANA

**Dr. H. E. SHARRER, PRESIDENT *and* GENERAL MANAGER**

EXCEPTIONAL OPPORTUNITIES IN INDIANA, ILLINOIS, MICHIGAN, MINNESOTA, NORTH DAKOTA,  
SOUTH DAKOTA AND NEBRASKA

INDIANA'S LARGEST  
LIFE INSURANCE COMPANY

# The Lincoln National Life of Fort Wayne

*More Than 520 Million Dollars of Insurance in Force  
New Paid-For Business in 1927, over 141 Million  
Dollars—Over 175,000 Policies in Force  
Has Paid Policyholders More than 25 Million Dollars*



Its new home, "The Most Beautiful Life Insurance Building in the World," is occupied exclusively by the Company and arranged for aiding its dispatch of service.

When no additional information is necessary for the case the policy is issued on the same day the application comes into the Home Office, if it arrives before the late afternoon mail.

Prompt payment of claims is another hobby of The Lincoln National Life.

It specializes in its co-operation with the men in the field in every department of their activity.

For the reason that we do a large business in acceptance on sub-standard lives and on men engaged in hazardous occupations, our rejection rate in 1927 was three and one-fourth per cent on all applications submitted. Policies are written on the lives of women on the same basis as men.

A new Juvenile Policy is written on the lives of children, ages 1 day up to 14 years. Full face value of policy reached on the anniversary of the policy on which the insurance age of the child is 5 years. Waiver of further premiums in event of the death or disability of the father may be provided by the Payor Insurance feature. No limit is set as to maximum amount.

A thorough educational course for agents and a circularizing system of beautifully illustrated letters are other very definite helps for those who

LINK UP WITH THE LINCOLN

## The Lincoln National Life Insurance Company

*"Its Name Indicates Its Character"*

Lincoln Life Building

Fort Wayne, Indiana



# The National Underwriter

THIRTY-SECOND YEAR. No. 4-A  
EXTRA EDITION 25 Cents a Copy

CHICAGO, CINCINNATI AND NEW YORK, FRIDAY, JANUARY 27, 1928

Office of Publication, 175 W. Jackson Blvd. Chicago, Illinois

INDIANA INSURANCE  
DAY NUMBER

## Indiana Celebrates Its Insurance Day

Life Men Conduct Sales Congress Two Days of Week  
—Elbert Storer Selected as Chairman for Next Year

INDIANA Insurance Day and the annual meeting of the Indiana Insurance Federation at Indianapolis took on new color this year inasmuch as the life insurance section held a two days' meeting Monday and Tuesday, in charge of Elbert Storer of Indianapolis, manager of the Bankers Life of Iowa, who has one of the largest general agencies in the state and paid for something like \$7,500,000 last year. On Monday the life insurance people had two sessions devoted to problems and questions in connection with general agency and managerial offices. This session was presided over by W. H. Tennyson, general agent of the Mutual Benefit Life, president of Indianapolis General Agents Association. The program was prepared by Mansur B. Oakes, head of the Insurance Review & Research Service.

Howe S. Landers, chairman of Indiana Insurance Day, could not be present this year, as his company, the Metropolitan Casualty, had sent him to the Pacific coast to take charge of its interests there during a reorganization. Therefore, the last few weeks' work and the handling of affairs during the eventful day were in the hands of Joseph W. Stickney, president of the Indiana Insurance Federation; Herbert L. Barr, last year's president, and a noble body of committeemen who put the event over in good shape. Mr. Landers was elected president of the Indiana Insurance Federation following the usual custom of advancing the leading vice-president to act as chairman of Indiana Insurance Day.

Elbert Storer was elected chairman of Indiana Insurance Day. Owing to the fact that he put over so successful

a life insurance meeting this year undoubtedly the plan will be adopted next year of having a separate life gathering. The life men far outnumbered the others in point of attendance. At all sessions during both days, the life men showed up in large numbers.

Frank L. Jones of Indianapolis, agency manager of the Equitable Life of New York, spoke at the first morning's session in connection with Mr. Oakes' presentation of subjects relating to general agents. The afternoon of the first day Ernest W. Owen of Detroit, manager of the Sun Life; Franklin B. Mead, vice-president of the Lincoln National Life, and C. R. Golly of Chicago, agency manager of the Equitable Life of New York in Illinois outside of Chicago, spoke. Mr. Owen told about the contests carried on in his agency, Mr. Mead spoke on conservation methods and Mr. Golly on organizing country territory.

### Second Day Devoted to the Soliciting Agents

On Tuesday morning W. H. Meub, general agent New England Mutual Life and president Indianapolis Association of Life Underwriters, presided. There were three symposiums conducted, one on "How I Secure My Prospects"; second, "My First Fifty Words," and third, "Best Answers to Four Standard Objections." Prizes were awarded for the best presentations in these symposiums. In the afternoon Thomas M. Scott of the Penn Mutual Life at Philadelphia, L. A. Spaulding, general agent of the Mutual Benefit Life at Baltimore, and Russell S. King from the home office of the Manhattan Life spoke. A meeting of the Indiana State

Association of Life Underwriters occurred in the afternoon, Edgar F. Johnston of South Bend presiding. The new president is State Senator Fred M. Dickerman of Indianapolis, manager of the Guardian Life.

### Commissioner Wysong Spoke to Insurance Men

Mr. Stickney presided over the meeting of the fire and casualty people Tuesday morning and Herbert L. Barr in the afternoon. Mayor L. Ert Slack of Indianapolis extended the welcome. Insurance Commissioner C. C. Wysong spoke for a few moments, stating that the insurance department is not attempting to dictate the policy of insurance. Its purpose, he said, is to serve all concerned. Policyholder, agent, company, official and investor are all interested in what insurance is doing. He said that the department tries to coordinate these various interests. Mr. Wysong declared that he had had splendid cooperation from insurance men. An insurance commissioner, he said, should not try to tell a company how to run its internal affairs. When disputes arise over claims, he said, the department is not desirous of settling the controversy. It calls in the interested parties to try to get them together. "Mr. Wysong said there is an effort all along the line to cure economic ills by legislation. A number of bills are introduced every year relating to insurance, many of them being hostile. He said there is probably too much regulation of insurance. The department, he said, is not assuming an attitude of superintendence. The state collected last year \$1,916,000 from the

insurance companies and appropriated \$65,288 to run the department.

### R. W. Miller and J. M. Thomas Gave Addresses

Ralph W. Miller of Chicago, special agent for Conkling, Price & Webb, managers of the London Guarantee & Accident, spoke on some of the casualty problems, referring especially to workmen's compensation and automobile liability insurance. He said that his first trip as a field man was taken for the London Guarantee & Accident with C. M. Berger, now United States manager, who was at that time payroll auditor.

John M. Thomas of Philadelphia, vice-president Fire Association and president of the Western Union, who is a native of Indiana, referred to the Missouri rate case and stated that it portended a great change in insurance if the United States Supreme Court decision were allowed to stand and the companies had to refund from \$8,000,000 to \$10,000,000 to premium payers. He predicted that many states would follow the course in Missouri and adopt a similar law.

### Frank M. Chandler Was Called to the Front

Frank M. Chandler of Chicago, western vice-president of the New York Indemnity, who originated Indiana Insurance Day, was called on. He said that there is a movement over the country to establish similar days. Connecticut, Wisconsin and Pennsylvania now have annual insurance days. He said that Michigan, Illinois, Iowa, Kansas, Nebraska will undoubtedly follow suit. He thinks that insurance should



HOWE S. LANDERS, Indianapolis  
New President Indiana Federation



ELBERT STORER, Indianapolis  
New Chairman Indiana Insurance Day



JOSEPH W. STICKNEY, Indianapolis  
Retiring President Indiana Federation



HUGH E. REYNOLDS, Indianapolis  
Secretary Indiana Insurance Federation

have more public contacts and get more insurance information in the papers.

At the afternoon meeting President Stickney of the Indiana Insurance Federation presented his report reviewing the work of the year. Hugh E. Reynolds, the new secretary and treasurer, reported a bank balance of \$4,291. Joseph G. Woods, who was formerly secretary and is now connected with the head office of the American Central Life, reported for the legislative committee, saying there were 36 insurance bills introduced and 13 passed. The Federation lost its fight for an agency qualification law but succeeded in defeating the compulsory automobile bill. Ross E. Coffin presented the resolutions which were adopted.

#### E. J. Donegan Gave a Very Helpful Address

E. J. Donegan of New York, vice-president and general counsel of the Metropolitan Casualty, in a very carefully prepared paper showed the distinction between insurance and suretyship, pointing out how they commingle especially in bankers blanket bonds and other forms. He welcomed the commingling, but said in doing so, the fish of insurance and the flesh of suretyship combined should make good red herring.

George D. Markham of St. Louis, former president of the National Association of Insurance Agents, who was present at the organization meeting in Chicago in 1896, spoke of the achievements of the organization, touching on the high spots in its career. In his talk he criticized the letter of R. E. Throckmorton, Indianapolis, who recently sent a letter to President W. E. Harrington of the National association criticising its attitude on the bank question. Mr. Markham said that the National association is not interfering with any established bank agency but is endeavoring to stop the growth of appointing financial institutions as agents.

#### Career of New President of Indiana Federation

Howe S. Landers, new president of the Indiana Insurance Federation, served as chairman of Indiana Insurance Day this year. His company, the Metropolitan Casualty, sent him a few weeks ago to San Francisco to take temporary charge of the coast. Therefore, he was not in Indianapolis this week and had to leave the finishing touches to Herbert L. Barr of Indianapolis, who was president of the Indiana Federation last year, and Joseph W. Stickney, the president this year.

Mr. Landers is a member of the firm of Landers & Landers, state managers of the Metropolitan Casualty. He is an attorney and was the first secretary of the Indiana Industrial Commission which administers the workmen's compensation law. He was formerly connected with Foster & Messick of Indianapolis, managers of the United States Fidelity & Guaranty, as was his brother and present partner, Jackson K. Landers. The Landers brothers have been managers of the Metropolitan Casualty for three years.

#### Elbert Storer Is New Indiana Day Chairman

Elbert Storer of Indianapolis, state manager of the Bankers Life of Iowa, newly elected chairman of Indiana Insurance Day, is a native of Adams Co., Ohio. He started his life insurance career at Gravity, Ia., where he became an agent of the Central Life of Iowa. Later he took the Fidelity-Mutual Life and finally swung to the Bankers Life. He made a success as a solicitor and was sent to Indianapolis as manager where he has built one of the largest agencies in the state paying for \$7,500,000 a year. This year he was chairman of the life insurance committee of Indiana Insurance Day and chairman of the entertainment committee.

The Hartford Fire and Citizens of Missouri held open house in their rooms at the hotel.

## School for Life Insurance General Agents Conducted by M. B. Oakes

THE school for general life insurance agents was conducted by Mansur B. Oakes, president of the Insurance Research & Review Service.

He divided the morning into three periods, during which he discussed "How to Secure Agents," "How to Train Agents" and "Monday Morning Meetings."

All the discussions were based upon the successful experiences of successful general agents and managers as gathered by the Insurance Research & Review Service during the past 13 years.

Charts had been prepared which visualized the topics under discussion and which made it possible for Mr. Oakes to cover a wide range of territory in a period of three hours.

Opening the school, Mr. Oakes laid particular emphasis upon the fact that while plans are essential, methods are necessary and systems are required, back of methods and plans and systems there must be a big man, a man big in conceptions and ideas and plans and actions, if the general agency is going to amount to much. He told stories of the generating power in great agency builders to illustrate this point.

#### Plans Used to Build Production

Hanging as a drop curtain over the series of charts was a placard that read: "He Who Would Survive Must Survive."

The first chart outlined plans used by general agents to build production. It dealt with plans used so as to build production with an office management system, through new men and through the increased production of old agents and set up as the major lines to be considered in attaining these ends, "education," "training," "stimulation."

The second chart dealt with how to secure good agents, subdivided under classifications that went into the major details on how to organize for contacts and contracts.

During this discussion Mr. Oakes asked Frank L. Jones, Indiana manager for the Equitable Life of New York, to discuss the method he used for recruiting good agents from blind alley jobs.

Mr. Jones, whose agency organization in Indiana paid for over \$12,000,000 in 1927, not counting group insurance, and about 25 percent of which was produced by new agents, related how he lays his plans systematically so as to be able to get in contact with the right kind of men who are in blind alley jobs, men who have been successful in their work but who cannot expect to rise

higher than their present levels on account of the character of the business.

In listing a few of the blind alley jobs Mr. Jones paid special attention to merchants who have been successful in building up their businesses only to find after a number of years that changing conditions of the habits of the community or of commercial combinations have put a stop to further growth of the business. He cited the inroads that chain store combinations have made upon the opportunities for privately owned neighborhood stores to expand and the effect upon individuals when great corporations amalgamate, giving the former heads an opportunity to become juniors with long years of tread ahead or to get out.

Mr. Jones emphasized the fact that in looking for new agents he looks solely for men who will fit into the ideal of his organization which all along the line is geared for the purpose of building manpower rather than concentrating upon production.

#### Right Kind of Men Provide Volume

Mr. Jones believes thoroughly that if the agency pays the proper attention to bringing in the right kind of new material and in helping the old agents and the new agents develop the best there is in themselves the volume will take care of itself.

He sets no quotas for his agency as a whole nor for the districts nor for the individual agents but he does work along very definite lines for building manpower.

After Mr. Jones' talk Mr. Oakes took up the subject of securing good agents through the proper and intensive use of a thorough educational course and field training system.

He put on a demonstration to show how prospective agency material of the right character can be attracted to an agency by opening the eyes of the prospect to the opportunities that are present for every agent who is qualified to sell upon a professional basis and who is in a position to utilize his time under a field system that enables him to work for definite results.

Mr. Oakes, by means of measuring rods, showed how it is possible for the agency manager to put his finger upon the weakness of the agency as a whole and upon the outstanding weakness of each man in the organization and how by concentrating upon these weaknesses until they are overcome the agents as individuals and the agency as a whole jumps forward in production and general results.

## Chicago Banker Gave Talk to Insurance Men

O. A. Christensen of Chicago, president of the Capital State Savings Bank and North Town State Bank, in his talk at the banquet at the close of Indiana Insurance Day, said that with the extension of insurance the social and economic balance automatically becomes more stable. He said that for insurance to accomplish social and economic adjustment, every organization forming a part of that system must be of a substantial character and conducted upon an honorable and equitable basis. Its affairs must be administered by skilled and capable hands. Based upon self interest, he said that insurance is the most enlightened and benevolent form, which the projects of self interest never assume.

#### Insurance and Banks Can Be Called Partners

He said the savings bank and the insurance company are partners in insuring the solidity, stability and protection of the people. Mr. Christensen said insurance is not only for the business man but is equally beneficial and even more necessary for the professional man, the farmer, merchant, manual laborer, etc. He said that merit rating is becoming the slogan with every form of insurance and its realization involves much study and considerable expense. He declared that every form of insurance is struggling with the great problem of distributing equitably the cost of risk bearing. An immense amount of research work is being done to bring this about.

#### Combination Plan May Cause Great Growth

Mr. Christensen said that if the savings-life insurance idea continues to grow it may mean a large extension of savings deposits and life and casualty insurance, not to a selected list, but to a wide circle of people who need insurance and who have not been able to purchase this protection because of more reasons than the lack of money. As an incentive to open new accounts he said this plan offers possibilities to individual banks to add to their list of depositors.

The insurance business he said is peculiarly fitted by virtue of its self interest, its equipment for periodic inspections and regular salvaging operations and its facilities for studying the problem and for disseminating the information to be entrusted with the worthy effort of loss prevention. An insurance company he said is admittedly an institution for the protection and material advancement of mankind. Therefore it should always put lenience and charity above mere monetary consideration. It should be willing to make exceptions to its general methods and pursue a general policy where the need of the individual is great, realizing that such a procedure will have a favorable effect on public opinion and pay in the long run.

#### Three Speakers at Banquet

The banquet was presided over by C. M. Cartwright of THE NATIONAL UNDERWRITER. The speakers were Insurance Commissioner C. C. Wysong of Indiana; O. A. Christensen, of Chicago, president Capital State Savings Bank and North Town Bank and Charles Evans of Little Rock, vice-president of the Home Life of that city. The banquet was attended by fire, life and casualty people.

#### Illinois Sent Greetings

R. W. Miller of the London Guarantee & Accident of Chicago bore letters of greetings from L. J. Kempf, president of the Illinois Insurance Federation and president of the Illinois Casualty Underwriters Association; from Freeman C. Read, president of the Chicago Casualty Field Club, and J. M. Newburger, president Illinois Association of Insurance Agents.

## RESOLUTIONS ADOPTED

1. On this fifth Indiana Insurance Day we are sorrowfully reminded of the absence of one of our most enthusiastic supporters of and workers in the Insurance Federation of Indiana. C. A. McCotter faithfully served the federation in numerous capacities. For a number of years he was particularly conspicuous for his service as national councillor representing the federation in the United States Chamber of Commerce and did outstanding work in that organization. Last spring Mr. McCotter died rather suddenly. It is recommended that the Insurance Federation of Indiana express its regret at the passing of Mr. McCotter and that a suitable expression of sympathy be sent to his former business associates.

2. We propose that it shall be the continued object of this federation to bring about a better understanding of the business of insurance by the general public. To support legislation designed to safeguard and promote the interests of the public in relation to insurance and to oppose a state or the nation becoming an underwriter of insurance hazards of any description other than in time of war for the protection of soldiers and sailors.

3. At the last annual meeting of the Insurance Federation of Indiana held on Jan. 25, 1927, a resolution was adopted calling attention to the spread of the Insurance Day idea. It is noted with a great deal of satisfaction that this activity has not only become an established success in this state but that many other states have adopted an Insurance Day as a part of their regular insurance activities. Many of these states have called on the Indiana Federation for advice and assistance which has been very gladly and promptly rendered. It is recommended that the Insurance Federation of Indiana recognize the extent of the development of the Insurance Day idea in other states with a justifiable pride in having originated such a constructive movement.



# Optimism Despite Insurance Troubles

By JOHN M. THOMAS

President, Western Union, and Vice President, Fire Association

THERE is a homely saying to the effect that "you may get a boy out of the country, but you cannot get the country out of a boy." A paraphrase declaring that they got me out of Indiana, but they cannot get Indiana out of me, would at least possess the virtue of truth—and, what is more, I am mighty

economic, material and spiritual welfare of the whole brotherhood of man, that it seems entirely fitting that such a great and praiseworthy enterprise as the state-wide celebration of "Insurance Day" should have had its birth in this city; and that all branches of the business of insurance should be represented is characteristic of the thoroughness of Indiana folk.

The business of fire insurance, and its allied activities, is so vast, its ramifications are so widespread and important, that a mere catalogue of its virtues and vices, its uses and abuses, would be an undertaking involving a very considerable amount of time and effort, so that all we may hope to do here today is barely to touch a few of the high spots.

## Forecasts of Ruin Are Not New

Is it any wonder then that the business of fire insurance of today, big, complex, important, highly competitive and with as many brands of regulation as there are states in the Union, should be considered by many of its participants, as well as a small segment of the public, as badly in need of numerous major reforms? Ever since my first direct contact with our business, a respectable proportion of those engaged in it have been all along predicting that the business was "going to hell in a hand basket," that ruination was just around the corner, that this calamity was sure to prove greater than the business could withstand, or that the other situation

would certainly operate so disadvantageously as to assume the proportions of a catastrophe, etc.

## Missouri Precedent Holds Big Danger

Even now clouds are distinctly visible on the horizon which portend most unpleasant and costly difficulties. One instance in point is the recent decision (or rather lack of a decision) of our highest court in the famous Missouri rate case, which reveals, if the decision shall stand as the law of the land, that in Missouri alone the business will be compelled to return to policyholders some eight or ten millions of dollars. To part with such a considerable sum in cash is not a trivial incident in any circumstance, but when it is recalled that during all of the test period covered by the litigation, and since, the fire companies have collectively incurred losses and expenses, and set up reserve liabilities in a sum substantially more than they have earned in premiums, the hardship becomes a real one.

The losses from this individual case, however, important as they are, would be quickly absorbed in the vast business of insurance if the harm would stop there. But as Missouri goes, so goes also in all probability the Kansas rate case, which, while different in details, is practically identical as to fundamentals.

If the harm stopped even then, the business would not suffer permanent injury, because the companies could and no doubt would so adjust the situation

as to give them some hope of profit, or, failing in this, give up the contest and withdraw from the two affected states. But with the almost certain prospect that many other states, perhaps a majority of them, will demand and secure the same treatment, the situation be-



JOHN M. THOMAS, Philadelphia Vice-President Fire Association

proud of the ability to claim kinship with the native sons and daughters of this great state of Indiana.

Hoosiers have pioneered so many departments of human activity for the purpose of enriching and advancing the



FRANKLIN B. MEAD, Fort Wayne Vice-President Lincoln National Life

comes very grave. In fact, some of the best minds in our profession believe that this very Missouri rate case holds greater possibilities of evil consequences and necessity for costly readjustment and turmoil and trouble than has been

AN AGENTS  
COMPANY

A HOME  
COMPANY



INDIANAPOLIS

ORGANIZED 1849

OF INDIANA  
IS NOW UNDER NEW MANAGEMENT

Writes AUTOMOBILE (All Covers)  
Fire & Tornado, Plate Glass  
General and Public Liability Bonds

President.....E. S. Goodrich  
Secretary-Treasurer.....F. W. Dunn  
Supt. of Agencies.....E. H. Shiel  
Underwriting Mgr.....Fred Doeppers  
Claims Mgr.....Harry L. Thomas  
Auditor.....S. A. Tomlinson

Assets, \$434,755  
Reserves, \$197,985  
Policyholders' Surplus, \$232,150

ALL ASSETS INVESTED IN SECURITIES APPROVED BY INSURANCE COMMISSIONER

AN INDIANA STOCK COMPANY WRITING MULTIPLE LINES—THROUGH REPRESENTATIVE AGENCIES IN DIRECT CONTACT WITH COMPANY'S HOME OFFICE

Live,  
Aggressive  
Agencies now  
Represent the UNION.  
YOU NEED US.

A REAL Agent's Company, BECAUSE we Co-operate with him;  
BECAUSE of our Home Office Location we can SERVE  
HIM; BECAUSE its Management insists upon BET-  
TER, MORE EFFICIENT and PROMPTER  
AGENCY and CLAIM SERVICE than  
you get through other com-  
panies.

GOOD AGENTS WANTED IN ALL INDIANA CITIES AND TOWNS. WRITE US.

ADDRESS all communications to the HOME OFFICE, 143 East Ohio St., Indianapolis

produced by any other single incident in more than a generation. It is by no means extravagant to predict that it may require a rebuilding of the entire rate structure, in order that the business may save itself and continue adequately to serve the public, because it will compel the use of formula for computing the vital elements of solvency upon a theory and practice entirely at variance with that which forms the background and present foundation of the entire scheme of rate building and profit computation.

However, there may be some who will contend that such revolutionary treatment may not be, after all, an unmixed evil, when the appalling fact is remembered that the fire and lighting operations of the 210 companies members of the National Board produced a net underwriting deficit during each of the six years, 1921 to 1926 inclusive,—the aggregate deficit for the period amounting to \$145,000,000 on a premium turnover of \$3,500,000,000.

#### On Sounder Footing Than Some Believe

Notwithstanding the troublesome rate cases in Missouri, Kansas and Kentucky, the general agency row in the Pacific Northwest, the unfortunate controversy and litigation in West Virginia, the unsatisfactory situation in Louisiana, the Bank of Italy ruination in California, the new wrinkle for hampering freedom of action in the way of agency qualification laws and departmental edicts in connection therewith, the business is on a sound footing, better perhaps than any one in this room has ever seen it. The remarkable opportunity for general improvement afforded by the organization of the Eastern Underwriters Association will unquestionably be utilized to the fullest extent and to the ultimate betterment of the position of companies and agents alike, and have a direct and beneficial effect on the character and efficiency of the service supplied to the insuring public.

## George D. Markham Speaks on Value of Agents' Organization

GEORGE D. MARKHAM of St. Louis, one of the big men of the local agents association movement from the beginning, spoke on the subject "It Pays to Organize." He began by a quotation from a letter sent out by Brannen & Kellogg of Denver, Aug. 1, 1896, to leading agents throughout the country as follows: "This evil (writing local insurance at head offices) if allowed to expand will certainly cause great loss to regularly licensed agents and every effort should immediately be made to check it while we possess the power. Is it not time that we should organize? We have seen the disastrous effect of non-interference on the Pacific coast (where there had been a rate war) and the fearful results there should be convincing proof that the honorably disposed agents should promptly act."

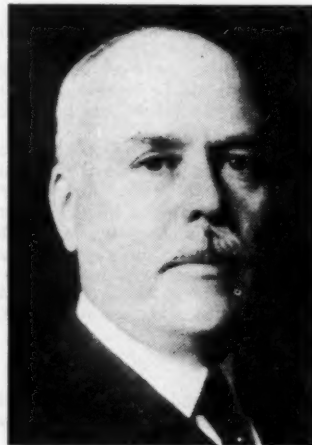
He told of the origin of the organization of the National Association of Fire Insurance Agents at the Great Northern hotel, Chicago, Sept. 30, 1896, "to support right principles and use our influence to correct bad practice in underwriting." He then told of many notable achievements made possible by organization.

#### First Tackled Evil of Overhead Writing

Naturally the association first tackled the abuse which had aroused R. S. Brannen to call a convention, namely, overhead writing. After discussing the matter at the second convention in St. Louis and the third in Buffalo, President Woodworth was authorized to send a questionnaire to the companies, asking an agreement from them to refrain from this practice. The plan succeeded. Many agents of the present day who

feel comfortably secure about their business do not know how it was threatened before the National association was formed.

By negotiation an agreement was reached with the companies that they would not write lines at managing



GEORGE D. MARKHAM, St. Louis  
Former President National Association  
of Insurance Agents

offices, but would send the business to the agent and that it should not be written unless the whole line was handled under rules and at rates which were imposed on the local agent.

Ownership of expirations was another principle established by the National association. The agent of today who can sell his agency or buy one, who can take on or surrender a company without

any fear of disturbance of his business, may have little idea what he owes to the National association. The National association fought the celebrated Yonkers case and confirmed the rights of agents in conferences with the companies and through an agreement recently re-negotiated by questionnaire.

Mr. Markham told the story of the fight over underwriters agencies and the constant struggle of the agents to re-establish the principle that loyalty and faithful underwriting by the local agent deserves exclusive representation. He also reviewed the fight on agency appointments in banks, touching on the Louisville case, the questionnaire to companies, the attitude of the Firemen's of Newark and the present live problem of the Bank of Italy in California. The Chrysler case was another instance in which the association defended the rights of agents and made a splendid resistance against insurance by wholesale.

#### Only Defense on Inland Marine Threat

In the marine insurance case where inland marine threatened to absorb the business of the local agents through the subterfuge of a transit policy, even on steel and cement skyscrapers, the agents' association was the only defense.

The new automobile certificate of the National association was described by Mr. Markham as an interesting experiment to give the traveling motorist full service wherever he may need it. He referred to the Erie, Pa., plan of interesting traffic officers to favor certificate holders.

On agents' qualification laws Mr. Markham said they were hard to draft, hard to pass and hard to administer and might be unnecessary if the sole agency principle was reinstated. He referred to the fire prevention cooperation undertaken between agents and chambers of commerce and the activity and success of the association in this movement.

## Indianapolis Life Insurance Co.

1905	\$325,000.00
1906	1,281,909.93
1907	2,158,315.62
1908	2,344,449.12
1909	3,037,135.59
1910	3,760,237.71
1911	4,451,264.48
1912	5,756,690.86
1913	7,011,554.27
1914	8,655,788.49
1915	10,231,921.21
1916	12,021,820.06
1917	13,665,053.54
1918	15,532,346.26
1919	20,456,374.44
1920	27,006,018.90
1921	31,275,345.88
1922	35,236,427.74
1923	40,882,131.98
1924	46,628,369.17
1925	54,432,038.01
1926	64,065,397.61
1928	77,000,000.00

\$34,000,000      \$8,700,000.00      \$4,400,000.00  
In Force in Indiana    Written in Indiana, 1927    Written in Indianapolis, 1927

Operating in Indiana, Illinois, Ohio, Michigan,  
Minnesota, Iowa, Texas and Florida

For Manager, District Manager or Special Agents' contracts address  
Frank P. Manly, Pres., or Joe C. Caperton, 2nd Vice-Pres. and Agency Mgr.

## Answering The Most Important Question An Insurance Agent Asks Himself



Established 1874

## LANDERS and LANDERS

MANAGERS

211 Guaranty Building

Indianapolis, Ind.

Circle 7289

Agents representing the Metropolitan Casualty Insurance Company of New York know that the insured will receive fair treatment and the type of service they have a right to expect.

**Good Faith    Sound Security  
Efficient Service**

## HAMMOND AGENT

## H. J. GESCHUDLER INSURANCE

CARE OF HAMMOND NATIONAL BANK

HAMMOND, IND.

"Easy to read, easy to digest, easy to remember, easy to put at work making dollars for me"—thus writes a buyer of "Easy Lessons in Life Insurance," a text and review book with quiz supplement. \$1.50. The National Underwriter Company, 1362 Insurance Exchange, Chicago.



# Nearly 100 Percent Want to Do Right

By C. C. WYSONG  
Insurance Commissioner of Indiana

WHEN the Insurance Federation of this great state of ours meets in its annual gathering such as this, I feel as did the psalmist of old when he sang "Behold how pleasant and good it is for brethren to dwell together in unity." It is indeed good and proper that the varied interests of the insurance fraternity come together at least upon one day of the year so that they may

dispensable; it becomes the foundation work for credit, commerce and industry. It has been developed to such a high degree that the safety of almost every business depends to a large extent upon insurance. Through it the home owner, the banker, the merchant, the manufacturer are in turn each protected.

The policyholder of every company at the very moment he becomes an insured then enters into the relation of client to that insurance company, and as long as any insuring relation exists that relation of client and counsel must exist. The insurance company is during that relationship even more than a counsel, it is a trustee for the benefit of all its policyholders and as long as that company or institution holds sacred the position of adviser or trustee, then so long will there be no serious differences between you and the insurance department. I believe that it is the province of an insurance department to ascertain that this relation of the adviser and client be maintained inviolate and that as long as the company can in justice to itself give it assured rightful consideration, adequate protection and professional advice, then that company is rendered the service which is expected of it and for which the institution of insurance was founded.

Nearly 100 Percent  
Want to Do Right

This relation is brought about first by cooperation, because in cooperation there must be honesty and intelligence, and whenever any differences arise, frank and free discussion must be had by all parties involved. It has been my experience as commissioner of insurance that nearly 100 percent of the insurance interests desire to do what is right; that no company nor any body of agents deliberately desires to mislead the public and that at all times this great body of

insurance interests have cooperated to the fullest extent with our department.

A subject which is not generally discussed at insurance gatherings because of the fact that probably so few policyholders are present is that of the dishonest polycholder. The dishonest policyholder is as great a menace to the insurance business as the dishonest company or agent. It is my theory that insurance companies are instituted and maintained for the benefit of all policyholders and not for the special privilege of a few; and the dishonest policyholder who files his false claim, who pads his loss, who deceives his company, is not only working an injustice upon the company but he is striking directly at his fellow policyholders; and for the benefit of those who sit here this evening in the status of insurance buyers or policyholders I wish to say to you that it is as much your duty to inform your insurance company of a dishonest policyholder as it is your duty to turn a common thief over to the corner policeman.

It has sometimes been said that the functions of government, especially those pertaining to the regulation and supervision of public business, were encroaching upon the rights of individuals and of business. Sometimes it would appear that this perhaps is true, but since 1855 the insurance business has been under some form of supervision and under that supervision no institution has had a greater growth than that of the insurance business, but I believe that this has been brought about not only by the supervising officials but by the broad minded company executive together with his honest corps of agents and the company that was looking forward.

A history of the origin and enactment of every insurance law of any importance which has come to the betterment

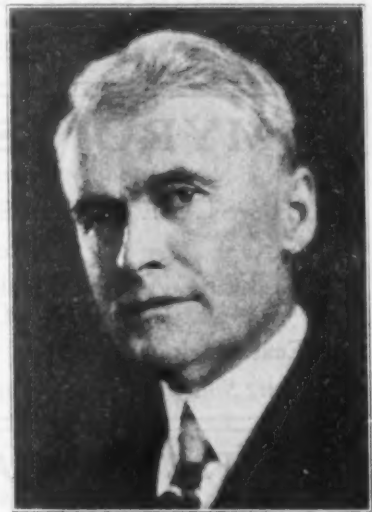
of the insurance business and every safeguard that has been thrown about the business has been brought about through the efforts of insurance commissioners and the companies and those who work under them. At this time you must not lose sight of the fact that the man who has contributed more to the insurance business today is the field man and the local agent. He has been the



H. E. SHARRER, Hammond  
President Northern States Life

become acquainted with one another and so that there may be instilled a certain spirit of cooperation, for we mortals are often prone to become so engrossed in the pursuit of business in our profession we forget the finer instincts of fellowships.

I believe that we may take it for granted that you men who are engaged in the business of insurance are rendering one of the greatest services to mankind. Insurance becomes a factor in commercial and business life that is in-



F. P. MANLY, Indianapolis  
President Indianapolis Life

one who has always pioneered and who at all times has taken the shock of the battle because he was always in the front line. He is the man who delivered to his company the very life blood of its existence, the man who educated the public to insurance, who has taken this country as a whole from one which did not appreciate insurance and developed it into the greatest insuring country the world has ever known.

## THE HOOSIER CASUALTY COMPANY

INDIANAPOLIS, INDIANA

An Indiana Company and a Stock Company Writing

ALL COVERAGES ON AUTOMOBILE AT LIBERAL PREMIUM RATES

Also

ALL FORMS OF HEALTH AND ACCIDENT INSURANCE

CAPITAL, \$100,000.00

ASSETS, \$376,000.00

GOOD CONTRACTS TO REAL PRODUCERS

C. W. RAY, President

ESTABLISHED 1898

**O'KEEFFE & COMPANY**  
INSURORS

1st Nat'l Bank Bldg.  
FT. WAYNE

Associates Building  
SOUTH BEND

*Dominating Northern Indiana*

**WELLS & O'KEEFFE**

State Agents for Indiana

WHOLESALE FACILITIES

ALL KINDS INSURANCE

319 GUARANTY BLDG.

INDIANAPOLIS

## INDIANAPOLIS AGENTS

JOHN J. APPEL    JOHN W. TWITTY    FRED G. APPEL    H. L. BARR

**FORTY-THREE YEARS OF CONTINUOUS  
INSURANCE EXPERIENCE**

*Our Service Reaches Every Insurance Interest*

**GREGORY & APPEL, Inc.**

500 FLETCHER TRUST BUILDING

INDIANAPOLIS, IND.

## MYRON S. HARLAN

*Manager Insurance Department*

**THE STATE SAVINGS AND TRUST COMPANY**

**State Agents**

**GLOBE AND RUTGERS FIRE INSURANCE  
COMPANY OF NEW YORK**

**9 East Market Street**

**Indianapolis, Ind.**

*Agents Solicited    Large and Unusual Lines our Specialty*

## THE FLETCHER AMERICAN AGENCY

JOSEPH W. STICKNEY, Agent

**INSURANCE**

P. O. Box 1155—INDIANAPOLIS—Telephone Main 4551

## INDIANA INVESTMENT & SECURITIES CO.

K. E. PERKINS, Manager Insurance Dept.

**GENERAL INSURANCE AGENCY**

207 Guaranty Building

Indianapolis

STEPHEN R. WILHELM, Manager

**CLARK & TODD, INC.**  
**INSURANCE AND SURETY**

320 State Savings & Trust Bldg., Indianapolis, Indiana  
LINCOLN 1771

General Agents: Bankers Indemnity Company

OBIE J. SMITH, President  
B. F. CALLAHAN, Sec'y-Treas.

**O. J. SMITH REALTY CO.**

**FIRE AND CASUALTY  
INSURANCE**

TELEPHONES:  
MAIN 5858  
MAIN 5859

114 North Delaware Street  
INDIANAPOLIS, INDIANA

## THE NATIONAL UNDERWRITER

Published Every Thursday by the  
NATIONAL UNDERWRITER COM-  
PANY, Chicago, Cincinnati and New York.  
C. M. CARTWRIGHT, Managing Editor.  
PUBLICATION OFFICE, Insurance Ex-  
change, CHICAGO

Entered as Second-Class Matter, February  
24, 1900, at Post Office at Chicago, Illinois,  
Under Act of March 3, 1879.

Subscription Price \$4.00 a year; in Canada \$5.00 a  
year; Single Copies 20 Cents.

## TERRE HAUTE AGENTS

**THE TERRE HAUTE TRUST CO., INSURANCE AGENCY**

**GENERAL INSURANCE**

JOHN R. HUNTER, MANAGER

**TERRE HAUTE, INDIANA**

## OMER O. RHODES

*Successor to*

**JAMES D. BIGELOW COMPANY**

**Insurance—Real Estate**

31 South Seventh Street

Terre Haute

## R. W. Miller Discusses Some Big Casualty Problems of Day

**R**ALPH W. MILLER of Chicago, special agent for Conkling, Price & Webb, managers of the London Guarantee & Accident, spoke before the Indiana Insurance Day gathering on some phases of casualty insurance. He devoted considerable time to a discussion of workmen's compensation insurance, stating that the troubles with that line are not basic or organic, but largely functional. He thinks the troubles are due to the abuses and the administration of the law. Mr. Miller said there is no uniformity in these various state laws. He advocated more uniformity and the establishment of standard regulations that have been tested by the courts.

### Big Loss Sustained on Compensation Writings

He said that in 1926 the stock companies sustained an underwriting loss of \$11,980,000 or 7.7 percent on their compensation writings. The experience during recent years has caused companies to become far more exacting in their underwriting. Some have retired from certain districts or states. In the 10-year period ending Dec. 31, 1926, the compensation premiums for stock companies amounted to \$1,085,000,000 on which there was a loss of \$23,195,650 or 2.1 percent.

Among the abuses Mr. Miller pointed out the exploitation of the workmen's compensation act by its beneficiary. He said that undoubtedly malingering is increasing. The person who is injured claims that he has been disfigured in order to get a greater benefit. Inher-

ited physical defects, occupational or other diseases are swung under the compensation act. Hernia, which is largely a prenatal defect, is attributed as the result of some accident in industry and the companies pay the bill.

In the second place, Mr. Miller referred to the commercialization of their profession by medical men. He said that in case of a number of doctors, their ethics do not carry them far enough. Of the compensation premiums from 25 to 35 percent is now paid for medical aid. He said that treatments are prolonged. The number of calls is excessive. There are over charges.

Mr. Miller criticized the universal analytic rating system, saying that it is defective. In fact he pronounced it "hysterical." He said that it was not solving the problem and it needs more refining. Ultimately he feels that the system will be a success.

Mr. Miller suggested that there should be a pool formed of all companies in the National Bureau of Casualty & Surety Underwriters to underwrite prohibited or high loss ratio risks. He said this is necessary in order to offset state insurance.

In referring to compulsory automobile laws he said they did not solve the question of accident frequency. The spirit of compulsion, he said, is obnoxious to American people. The statistics regarding the Massachusetts law do not show that there has been any diminution in accidents but rather an increase. He advocated more stringent regulation of drivers and the licensing of those who drive.

## South Bend, Ind., Has Very Live Local Board

One of the very best local boards in Indiana is found in South Bend, a city of 120,000 population. Alexis Coquillard is beginning his third term as president and Secretary Clarence E. Perkins has assumed office for the fourth consecutive year. In an interview with Mr. Perkins last week, he ascribed the success of the South Bend Insurance Exchange to its having at all times some definite work in the process of accomplishment. A few years ago it did yeoman service in assisting other insurance interests in their efforts to retain the Audit Bureau. During the last year efforts have been concentrated on securing the support of the various companies in company representation as outlined in the South Bend Board's constitution. To the credit of the companies, Mr. Perkins states that wholehearted cooperation has been given by their field men. The board is now putting an insurance credit bureau in operation, which they hope will help solve the premium collection evil.

### Chandler On the Scene

Frank M. Chandler of Chicago, western manager of the New York Indemnity and father of Indiana Insurance Day, arrived early Monday morning and mingled with old friends. He was formerly Indiana manager of the Travelers.

### Life Officials Present

Dr. H. E. Sharrer, president of the Northern States Life of Hammond; John W. Dragoo, secretary of the Western Reserve Life of Muncie; F. B. Mead, vice-president Lincoln National Life of Ft. Wayne, all attended the meeting.

### Hunted for Pickled Herring

Secretary E. E. Soenke of the Security Fire of Davenport, well supported by Henry C. Brummel, well known Chicago local agent, who is a director of the company, were in Indianapolis seeking restaurants where pickled herring and other similar dishes were served.

## J. W. Stickney Awarded the Chandler Trophy

Frank M. Chandler, the father of Indiana Insurance Day, gave a trophy to be awarded by a committee each year to the man in Indiana who contributed the most in their judgment during the year to insurance. The committee this year awarded the trophy to Joseph W. Stickney, the retiring president of the Indiana Insurance Federation, who has given so much to the business. C. D. Lasher, state agent of the Home, who was called on to make the announcement, said that Mr. Chandler himself was present and would present the trophy which he did in a very gracious way to, Mr. Stickney. Mr. Stickney served during the year as president of the Indiana Association of Insurance Agents and did much along legislative lines for insurance.

### A. R. Monroe Was Present

A. R. Monroe, former assistant western manager of the Queen and later president of the Newark, who is now residing at Indianapolis, was at the hotel mingling with the crowd. Mr. Monroe was called on for a few remarks at the last session. He started his insurance career as a local agent in Indianapolis and later traveled as a field man in the state.

### Big Fire for the Occasion

As a fitting demonstration of Indiana Insurance Day it was announced soon after the morning session Tuesday that a big public garage fire on the Circle had caused a heavy loss. This was one of the large eight-story garages in the city in which a number of machines were stored.

### American Automobile Delegation

The American Automobile of St. Louis had official headquarters at the hotel in charge of Vice-President George Schultz, Secretary Otto Patterson and C. C. Kinney, Chicago manager.



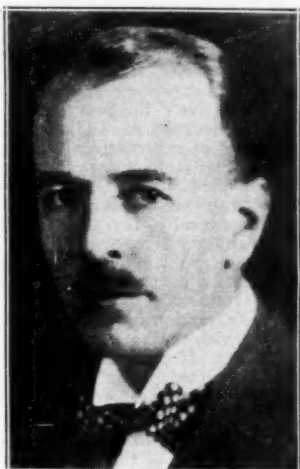
# Insurance and Suretyship Differences

E. J. DONEGAN, first vice-president and general counsel of the Metropolitan Casualty, gave an address before the Indiana Insurance Federation on "The difference between insurance and suretyship." He said that his talk was about the fish of insurance, the flesh of suretyship and the good red herring which has the savor of both. Mr. Donegan said in part:

"Insurance presupposes a distribution of the probable future losses of one individual or group of individuals over the entire membership of a class or over the entire fabric of the body politic. It is a contract predicated on a consideration, or premium, agreed to be paid by that individual, or group, to the insurer. If the agreement with respect to that premium is breached, the insurance may fall for failure of consideration. In insurance, too, the insurer gauges the chances of possible loss and assumes all the consequences, usually without the right to resort to the insured for indemnification or contribution. In insurance, again, the relationship is generally one which either party may prospectively terminate, arbitrarily or capriciously, by paying or retaining, as the case may be, that proportion of the total premium which has been earned during the effective period.

"In suretyship, theoretically, no losses should occur. There are three parties

to the contract, instead of two, and the obligee or beneficiary in most cases need not concern himself about the payment



EDMUND J. DONEGAN, New York Vice-President Metropolitan Casualty

of the premium; his contract is enforceable despite the failure of the principal in this regard. In suretyship, moreover, the surety does not agree to bear all the

consequences of loss as against the principal, although it is so bound to the obligee. The principal has covenanted with both the surety and the obligee not to breach the covenants of his bond, and if he does and thereby causes a loss to the surety, he must respond. Finally, in suretyship the contract is usually non-terminable and may not be cancelled by the act of either principal, surety, or both, without the consent of the obligee. You may cite against this last general proposition the example of fidelity bonds, but I hope to demonstrate later that such risks are neither the fish of insurance nor the flesh of suretyship, but the good red herring which savors of both.

## Fidelity Bonds Become Insurance Policies

"So, for example, fidelity bonds have become in essence insurance policies. We still have the principal, we still retain the obligation of indemnification flowing from him to the surety, but in many cases we do not even know the principal's name. We frequently write his bond on averages alone. We not only speak of these bonds in many of the obligations we issue as insurance, but in fact we treat them in all respects as such. They are so construed by many of our courts.

"Check alteration and forgery bonds

are essentially insurance, although handled principally by surety companies. It can hardly be said that there is a principal upon forgery bonds, for certainly the forger who creates a loss, while he may be liable to the surety at law, is not a principal in the bond.

"One of the greatest developments of the last decade in suretyship has been the bankers' and brokers' blanket bond. It constitutes today one of our great staple lines. This so-called bond is a pot-pourri of our fish, our flesh and our good red herring.

## Different Types of Contracts All Now Intermingled

"Many of these obligations have no savor of suretyship. When one guarantees that property will not be destroyed, one is not guaranteeing to answer for the debt, default or miscarriage of another. Fire or explosion, either of which may be the destructive agent, can hardly be principal upon a bond, and one could not sue either to obtain reimbursement for a loss. The bandit who holds up a bank messenger is not the principal. In large part, therefore, this great suretyship obligation is out and out insurance, and it is well, perhaps, for the community that insurance and surety companies have torn down the barriers and allowed these differing types of protection to intermingle as they have."

HOW about an agency contract with a Company that will help an agent when help is needed?

## INDIANA INSURANCE COMPANY

A STOCK COMPANY CHARTERED 1851

### WRITING

#### AUTOMOBILE

All Lines in One Policy

#### FIRE and WINDSTORM

Combined coverage, equal or unequal amounts, in one policy.

Excellent reinsurance facilities

#### PLATE GLASS

Unexcelled contracts—When necessary 50/50 contract

### COOLING-GRUMME-MUMFORD CO.

STATE AGENTS

Main 3746-7-8

American Central Life Bldg., Indianapolis

#### SPECIAL AGENTS

ERNEST NEWHOUSE,  
LA RUE BYRON  
HOME OFFICE INDIANAPOLIS

## SOUTH BEND INSURANCE EXCHANGE

William G. Elliott  
H. P. Dunnahoo  
Indiana Trust Co.,  
Kelley, Lederer & Ginz

Leedy & O'Keeffe, R. D. Dorman, Mgr.  
American Trust Co., W. H. Bruner, Mgr., Ins. Dept.  
St. Joseph Loan & Trust Co.,  
Warner & Carlisle, Inc.

Lloyd Insurance Agency

C. Mont Smith Agency  
D. Sherman Ellison  
Lloyd E. Greenan  
Clarence E. Perkins

General Insurance

::

Fire Insurance

::

Surety Bonds

The most progressive agency in the Calumet Region

INSURANCE DEPARTMENT

## FIRST TRUST & SAVINGS BANK OF HAMMOND, IND.

JULIUS H. MEYN, Vice-Pres., Manager

FIRE  
TORNADO  
RIOT

THEFT  
COLLISION  
PUBLIC LIABILITY

PROPERTY  
DAMAGE  
PLATE GLASS

LIFE  
GROUP LIFE  
ACCIDENT

BURGLARY  
HOLDUP  
INDEMNITY

## EVANSVILLE AGENTS

S. WALLACE COOK, President HARRY P. FRAZIER, Secy.-Treas. and Gen. Mgr.  
**THE AGENCY WITH THE SERVICE**  
 Established 1864  
**BENNETT HUTCHINSON CO.**  
**SERVICE—INSURANCE—PROTECTION**  
 201 Furniture Building EVANSVILLE, INDIANA Telephone Main 111

## Richardt Agency

RICHARDT BUILDING  
 Main at Fifth  
 EVANSVILLE, INDIANA  
*"Insurance in all its Branches"*

VAN B. RUDD, Vice-Pres. & Mgr. J. M. JONES, Sec'y. T. E. BELT, Asst. Mgr.  
**GREENE & GREENE, General Agents**  
 Union Automobile Insurance Co., of Los Angeles  
 Desirable Agents  
 Wanted in Southern Indiana, Southern Illinois and Kentucky  
 Mercantile Bank Bldg. Evansville, Ind.

ALFRED E. GREENE Fire ROBERT C. TORIAN Life and Accident EDWARD C. HABBE Casualty  
**Robert C. Torian Agency, Inc.**  
 GENERAL INSURANCE  
 Phones: Main 3078—Main 41  
 Mercantile Bank Building Evansville, Indiana

## SOUTH BEND AGENTS

## D. SHERMAN ELLISON

GENERAL AGENCY  
 FOR  
 NORTHERN INDIANA

*Offering*

## A COMPLETE INSURANCE SERVICE

202-5 CITIZENS BANK BLDG. SOUTH BEND, IND.

WARDE L. MACK EDGAR F. JOHNSTON  
**MACK & JOHNSTON**  
 General Agents—Northwestern Mutual Life Insurance Co.  
 415-16 UNION TRUST BLDG. SOUTH BEND, IND.

## VINCENNES AGENT

## UNION AGENCY, INC.

*State Agents for Indiana*

## GENERAL INSURANCE

17 North Third, Vincennes, Ind.

## You'll never regret

that you subscribed to THE NATIONAL UNDERWRITER—you'll read it like a newspaper and you'll be a better insurance man for it. If you are already a subscriber, do your fellow agent a good turn by telling him about it—.

## Your friend won't forget

28

# Federation's Activities and Progress for Year Reviewed

By JOSEPH W. STICKNEY  
 President Insurance Federation of Indiana

"REACHING every insurance interest," the slogan used in connection with Indiana Insurance Day, probably expresses concisely and yet comprehensively the function of the Insurance Federation of Indiana. The great business of insurance in this state, as in every other state, naturally includes many diversified interests, each with their own problems to solve. The life, the fire, the casualty, the adjusters and the agents' interests are varied and involve different problems. Each of these interests has its own association to assist in the solution. The policy of the Insurance Federation is not to interfere in any way with the activities of any of these interests. It occasionally happens, however, that problems arise that are of importance to more than one interest and occasionally major problems arise that are important to all. In order to coordinate the efforts of the various interests when this occurs it is essential that there be in existence an organization for the purpose. This is the Insurance Federation of Indiana.

### Interests Have Proper Representation

Its past officers and directors in developing this policy have in their wisdom provided an organization designed to be self perpetuating and containing a provision for rotating the personnel so that all interests will have a voice and have representation. In the past four years the casualty, the life, the fire and the local agents all have been represented in the presidency. This year the president is a local agent. The seven vice-presidents are made up of one casualty, two life, two fire and two local agents. The board of directors consists of seven life, six fire, six casualty, nine local agents, four adjusters, two representatives of fraternal organizations and the state fire marshal.

In order to promote these features to the greatest extent possible, the one major activity of the federation which occurs every year is Indiana Insurance Day. This is really a sort of insurance holiday when all interests will get together, get acquainted and have a general good time. A program divided between educational and entertainment features is provided to assist in this result. This Indiana Insurance Day is the fifth to be held in this state. The insurance day idea originated in Indiana and in the mind of our old friend Frank M. Chandler, who is now pretty generally known as the "father of insurance day." This activity has not only become an established success in this state, but the idea has now widened to include Connecticut, Wisconsin, Pennsylvania and Minnesota while Iowa, Kansas, Texas, Illinois, North Carolina and Michigan have similar events in preparation. Indiana can be justly proud of having originated such a constructive movement.

### Progress and Activities of Past Year Reviewed

As to the progress the past year the activities have been in line with the established procedure detailed above. A very successful Insurance Day was held Jan. 25, 1927, which was attended by nearly 500 registrants. The first two months of the year the legislature was in session and a large number of bills were introduced that affected the insurance industry in one way or another. The federation assisted the various associations particularly interested in one or more of these proposed statutes, with the result that the legislature adjourned without passing any legislation that was detrimental to the industry. The federation among its other activities maintained an executive office during the

period of the legislature and issued bulletins to its members at frequent intervals so that all interests might be promptly and completely posted.

### Federation Functions Throughout the Year

Permit me to take this opportunity to say a word about finances. It is possibly a perfectly natural assumption but an erroneous idea that the Federation functions only during legislative periods. This is far from the truth. In fact, in order to be effective then, the activity must be continuous during the periods as well. It is true that when the legislature is in session the activity is more intense but the necessity for money is to perfect the organization and that exists all the time. Our resources are conserved in every way within reason as evidenced by the fact that we came out of a legislative year with a substantial balance. So please don't consider the life of the federation to be 61 days every two years.

### PERSONAL PICK-UPS AT INDIANA INSURANCE DAY

E. D. Lawson of Chicago, manager of W. H. McGee & Co.'s western office, was one of the popular young men at the dance.

A. F. Powrie, western manager of the Fire Association, went to Indianapolis to meet Vice-President John M. Thomas who spoke at the meeting.

W. H. Riker, assistant western manager of the North America, who was formerly an Indiana field man, mingled with his old friends.

Walter A. Sawyer, superintendent of agents of the western office of the Fireman's Fund, and R. G. McCullough, superintendent of the loss department and former Indiana state agent, were present.

Shirley E. Moisant of Kankakee, Ill., secretary of the Illinois Association of Insurance Agents was at the meeting hobnobbing with his former agency solicitor, Herbert L. Barr.

P. C. Metzger, assistant agency superintendent of the London & Lancashire in the west and former Indiana state agent of the company, was at the convention.

One of the interested attendants at the convention was W. N. Achenbach, western manager of the Aetna.

Ralph Rawlings of Lansing, Mich., of Rawlings & Hewett, western managers of the Boston and Old Colony and president of the Fire Underwriters Association of the Northwest attended all the sessions.

The Republic Casualty of Pittsburgh had headquarters in charge of Vice-President H. S. Robinson and Superintendent of Agents J. Roy Donahue. Their quarters were very popular and they made many friends.

John T. Hutchinson of Detroit, secretary of the Insurance Federation of America, joined the convention throng.

W. L. Leonard, state agent of the Firemans Fund, who was chairman of the speakers' committee, will soon move to Chicago to become one of the executives in his company's western office.

Hugh E. Reynolds, secretary of the Indiana Insurance Federation, had charge of the registration desk and did a fine piece of work. He was secretary of the Indiana Insurance Day committee.

J. George Stauffer of Danville, Ill., former agency superintendent of the Firemans Fund western department, attended the convention.



IT PAYS TO BE A NATIONAL UNDERWRITER READER OR ADVERTISER

## *It costs \$4.00 a year to Attend All the Conventions The National Underwriter Way*

**T**HIS is an age of conventions, sales congresses, association meetings and get-togethers.

Not so long ago affairs of this sort were few and their worth was looked upon as dubious by many.

Today there is hardly a meeting or convention of insurance men that does not contribute something worth while to the business of insurance.

Of course it is physically impossible for you to attend all the worth-while gatherings, had you the time and inclination to do so.

Thus it is one of the functions of the National Underwriter to attend these meetings for you—to be your proxy—to give you the meat of what transpires.

In order to faithfully report these meetings, besides the full reports carried in the regular editions of the National Underwriter (Fire Edition) the following conventions are reported in fuller detail in our special numbers and special inserts:

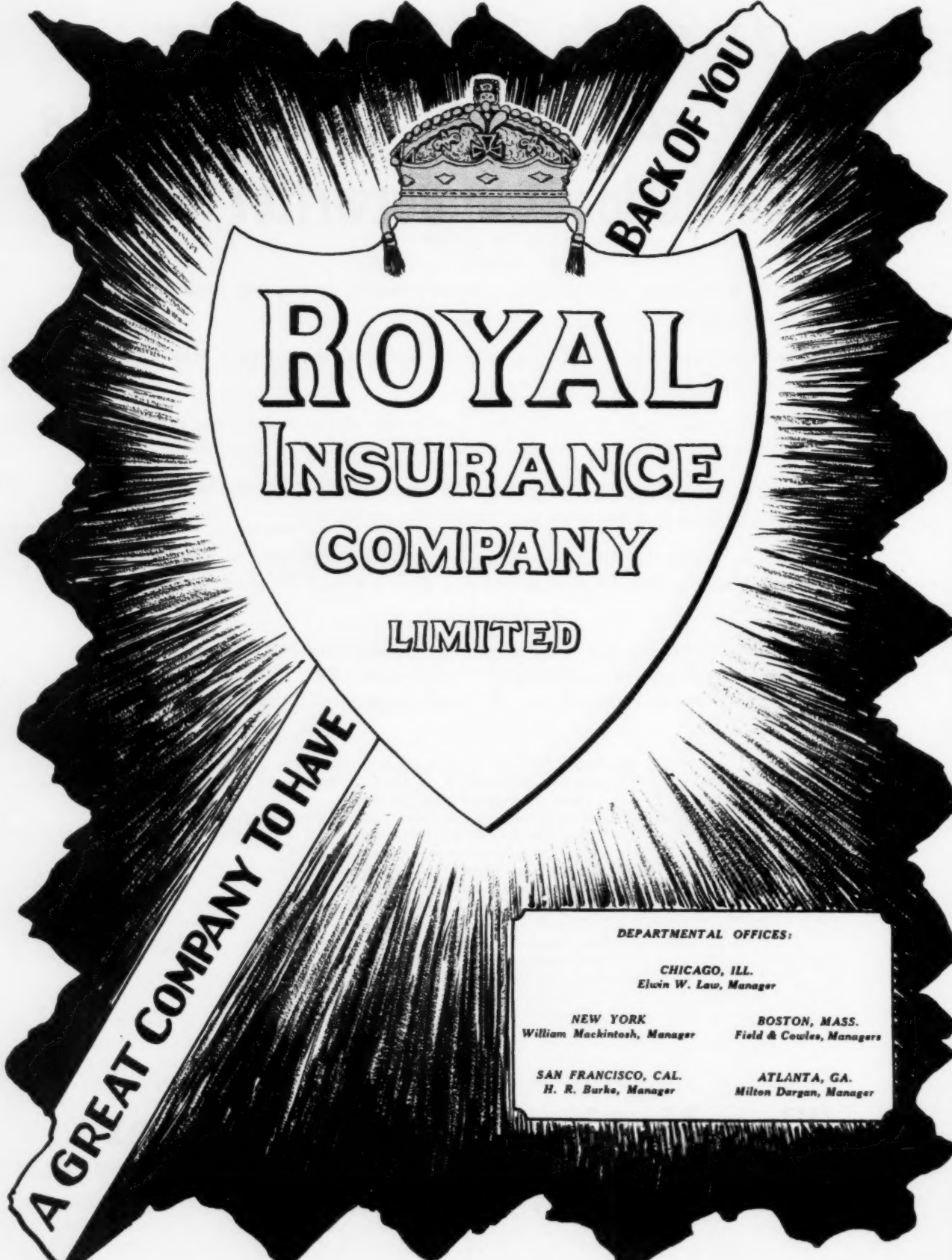
The Mid-Winter Health & Accident Conference  
The Mid-Summer Health & Accident Conference  
The Texas Local Agents Convention  
The National Association of Insurance Agents Convention  
The Iowa Local Agents Convention  
The Illinois Local Agents Convention  
The Michigan Local Agents Convention  
The New York Local Agents Convention  
The Kansas Local Agents Convention  
The Ohio Local Agents Convention  
The Tennessee Local Agents Convention  
The Oklahoma Local Agents Convention  
The Fire Underwriters Association of the Northwest  
The Indiana Insurance Day Convention  
The Ohio Local Agents Convention

## **The National Underwriter**

:: CHICAGO ::

MEMBER OF THE AUDIT BUREAU OF CIRCULATIONS  
ASSOCIATED BUSINESS PAPERS, INC. NATIONAL PUBLISHERS ASSOCIATION, INC.

# INDIANA INSURANCE DAY NUMBER



**ROYAL  
INSURANCE  
COMPANY  
LIMITED**

**BACK OF YOU**

**A GREAT COMPANY TO HAVE**

**DEPARTMENTAL OFFICES:**

<b>CHICAGO, ILL.</b> <i>Elwin W. Law, Manager</i>	<b>BOSTON, MASS.</b> <i>Field &amp; Cowles, Managers</i>
<b>NEW YORK</b> <i>William Mackintosh, Manager</i>	<b>ATLANTA, GA.</b> <i>Milton Dargan, Manager</i>
<b>SAN FRANCISCO, CAL.</b> <i>H. R. Burke, Manager</i>	